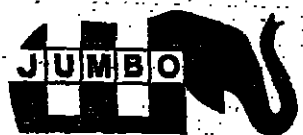


THE TIMES
1785-1985
Tomorrow



The big crossword
Clues galore in
The Times prize
jumbo crossword

Quiz of the Year
Remember what
happened, where and
to whom in 1985? Try
The Times prize quiz

Weekend sport
Tennis: first day
of the Davis Cup
Football and
rugby preview

Portfolio

There were three winners in yesterday's £2,000 Times Portfolio competition. Mrs Carole Mitchell of Worcester, Mr G H Gilbert of Sevenoaks and Mr Mark Riley of London each receive £666.66. Portfolio list, page 14, how to play, information services, last page. Tomorrow £2,000 can be won. £20,000 in the weekly competition and £2,000 in the daily.

Threat to holiday rush abroad

Cross-Channel holiday traffic is threatened by disputes involving French air traffic controllers and ferry crews. A controllers' strike due today has been ruled illegal, but airlines said it was too late to restore cancelled flights. Seamen in Boulogne, Calais and Dunkirk stop work tomorrow.

Ulster bomb

A large bomb exploded last night in the centre of Castlebar, Co Tyrone, 30 yards from the RUC station. Telephone links with the border village were cut by the blast. It was not known whether there had been casualties.

Rates protest

County and district councils, many Tory-controlled, are protesting to ministers over losses they face in next year's rate-support grant. Page 2

Lie test rebel

Mr George Shultz, US Secretary of State, said he would resign rather than submit to the lie detector test proposed by the White House.

Shuttle setback

The launch of the space shuttle Columbia has been postponed until after Christmas because of a technical problem that occurred seconds before blast-off. Page 6

BT challenge

Mercury Communications, which will start competing with British Telecom next summer, says it will undercut Telecom trunk call charges by up to 20 per cent. Page 15

Assam defeat

The Congress (I) Party admitted defeat in the Assam elections and attributed its electoral failure to the misgivings of the minorities living in the state over the Assam accord. Page 7

Security check

The Home Secretary has ordered a security review for 10 Downing Street after the discovery of an intruder on the roof. Page 2

State cash vote

The AVEW has voted by a margin of nearly eight to one to accept government money for much ballots. Page 2

Inquiry refused

Sir Keith Joseph has refused an inquiry into teachers' pay and reported that more money would be available only with a conditional offer. Page 22

Clubs cleared

A Football Association disciplinary committee cleared Millwall and Leeds United of any responsibility for the crowd trouble at their match last month. Page 21

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Brittan acts to block further City scandals

By William Kay, City Editor

The Government launched its long-awaited attack on scandals in the City of London yesterday when Mr Leon Brittan, Secretary of State for Trade and Industry, published his Financial Services Bill. Mr Brittan said: "The Government's objective is to create a system of regulation which is both flexible and inspires confidence in investors and investors that the financial services sector is a 'clean' place to do business."

He claimed that the Bill represented the most comprehensive overhaul of investor protection for 40 years. It implements a White Paper on financial services published in January.

The Bill's centrepiece will be one designated agency, to be known as the Securities and Investments Board, which will execute the supervisory powers of the Secretary of State through a series of self-regulating organisations.

But Mr Brittan was quick to answer criticism that this will leave the City to police itself.

He said: "If the self-regulating bodies do not live up to the required standards, their authority to regulate their own members can be withdrawn."

"The alternative of wholly statutory regulation would be more bureaucratic, legalistic and slower to respond."

To reinforce Mr Brittan's determination, Sir Kenneth Berrill, chairman of the board, announced the creation of an ombudsman to make enforceable awards against an investment business that subscribed to the ombudsman scheme, coupled with a plan for compensation of up to £30,000 against claims against a failed investment business.

As expected, the Bill does not include Lloyd's insurance market in its provisions. Mr Brittan explained: "The Lloyd's Act of 1982 is too recent for us to make a definitive assessment of its effectiveness, and even if we did I am not sure that the new Bill is the right framework to deal with it."

"But we are keeping a close eye on Lloyd's and will not

hesitate to take whatever action of a legislative kind is necessary."

The Bill proposes to make it a criminal offence to carry on investment business without authorisation. Any authorised business must obey the rules of its appropriate self-regulating organisations or affiliate directly to the Securities and Investments Board.

Cold calling - the practice of making unsolicited telephone or personal calls - will be prohibited unless the customer explicitly agrees to it in advance, in writing. However, unsolicited mailing shots will not be barred.

Sir Nicholas Goodison, chairman of the Stock Exchange, said: "For the first time all forms of investment, including insurance and commodity-linked investments will in future be subject to regulation."

"We have for many years argued that the standard of regulation of investment business outside the Stock Exchange should be raised. For the first time it seems likely that this will now come about."

The cost of the extra policing of the financial sector will fall almost entirely on investment businesses.

However, Mr John Smith, the shadow trade and industry secretary, said: "The Bill is quite inadequate for the major task of tackling City fraud. There is still too much emphasis on self-regulation, which can so easily become self-protection."

The shadow cabinet tabled an amendment declining to give a second reading to the Bill as it fails to provide a clear and direct statutory framework for City regulations.

Mr David Steel, the Liberal Party leader, commented: "This Bill falls short of what is needed to end the crisis of integrity in the City. Conservative governments are always too indulgent to their chums in the City. The one whole, honourable City must not be allowed to become a 'spiv' City."

Digest of Bill, page 5
Leading article, page 11
Kenneth Fleet, page 15
Boards merge, page 15

Younger refuses to rescue Gartcosh

By Philip Webster
Political Reporter

The last hopes for the Gartcosh steel finishing mill in Strathclyde disappeared yesterday when Mr George Younger, the Secretary of State for Scotland, ruled out a reprieve. It is due to close at the end of March with the loss of 700 jobs.

In coming to his decision Mr Younger made clear that he had been persuaded by clear statements by the British Steel Corporation that the future of the neighbouring steelworks of Ravenscraig would not be prejudiced by Gartcosh's closure, a conclusion which the select committee on Scottish affairs appeared likely to contradict before it broke up in confusion nine days ago without issuing a report.

Although the committee was able to reconvene on Wednesday and agree a report, its advice and the evidence it collected came too late to influence the decision.

In a letter to the trade union committee at Ravenscraig yesterday, the Scottish Office said Mr Younger had concluded that the Government would not be justified in changing its view that the decision to close Gartcosh was one for the commercial judgement of the corporation; that the issues



Mr Younger: Assurance over Ravenscraig

raised by the proposed closure were commercial, technical and managerial rather than strategic, and that such issues were properly for decision by the corporation and not the Government.

The letter caused a predictable storm of protest from the steelworkers and trade unions, who had hoped that the pressure of their arguments would persuade Mr Younger to take up the cause of saving Gartcosh in Cabinet (Ronald Faux writes). Mrs Helen Liddell, secretary of the Labour Party in Scotland, accused Mr Younger of betraying the people of Scotland and called for the Scottish Secretary's resignation.



Abdel Karim Khalki, a Palestinian, holding a pistol and a grenade in a Nantes court room after taking hostages to free two men on trial

Hostages seized in French court room

From Diana Geddes
Paris

A Palestinian gunman yesterday disarmed five policemen and took hostage the judge, jury, and members of the public in a French court to try to free two French gangster friends.

Carrying a hand grenade and a pistol, Abdel Karim Khalki, who claims to be a member of the Abu Nidal Palestinian terrorist group, burst into the Assizes court in Nantes shortly before 11 am. He seized the presiding judge by the throat, and ordered five policemen on duty to hand over their arms, firing a couple of warning shots in the air.

He then gave arms to the two accused in the dock, Georges Courbis, aged 38, and Patrick Thiolet, aged 24, who were being tried for armed robbery and receipt of stolen goods. Khalki had been released from prison only 20 days earlier, after serving 3½ years of a five-year sentence for armed robbery.

The gunman's demands were not clear. At first they simply demanded an interview with television journalists which was given. They then demanded to see the Prefect of the region and Police Commissioner Robert Broussard, one of France's top anti-terrorist policemen, and threatened to "execute" his hostages "one by one" unless their demand was met.

The three held the court at gun point for more than six hours, before deciding to release a group of 11 law students and two local journalists.

Sixteen hostages, including the presiding judge who was chained to one of the gangsters, two deputy judges, 11 jury members, the deputy prosecutor, and the court clerk were still being held.

As police and firemen cordoned off the court yesterday the Ministry of Justice appealed to radio stations not to reveal that the elite French anti-terrorist squad, the RAID, had been called in.

But the gangsters evidently were expecting a rescue attempt by the police as they announced that they had accomplices waiting outside who would throw grenades into the restaurant and bars around the court "if anything goes wrong".

Khalki, who said he was a Muslim fundamentalist, said he wanted to strike a blow against France. Earlier Courtiers, who according to one hostage appeared to be the leader, had complained to the judge that "society has never given me anything and I therefore have nothing to do with it," and declared that "prison was finished".

Gorbachov invites US inspection of nuclear test sites

From Michael Binyon, Washington

Mr Mikhail Gorbachov, the Soviet leader, has written to President Reagan offering to allow US inspectors to visit Soviet underground nuclear test sites. Administration sources said yesterday. He also urged the President to resume negotiations with the Russians next month on a ban of all such tests.

His letter came as Pravda publicly made the same call in Moscow.

The Administration welcomed the Soviet offer but insisted the issue was quite separate from the Soviet call for a nuclear test moratorium.

Mr Larry Speakes, the White House spokesman, said President Reagan had long advocated a dialogue with the Soviet Union to establish better verification procedures. He had already issued an unconditional invitation to Soviet experts to visit US sites and measure the yield of nuclear tests. "The US would, of course, welcome Soviet willingness to agree to reciprocal visits."

In this way a basis could be created to develop and institute the kind of measures needed to make effectively verifiable such treaties and the Threshold Nuclear Ban and the Peaceful Nuclear Explosion treaties, he added. These have still to be ratified by the Senate.

But Mr Speakes rejected the renewed Soviet call for a test moratorium, which he said the Russians had been pressing privately and publicly since US testing was required "to ensure the continued credibility and effectiveness of our deterrent."

and to ensure the reliability and safety of the US arsenal". He said the US had also learned through experience that moratoria could not be counted on to enhance security. However, a comprehensive test ban was a long-term US objective in the context of deep and verifiable arms cuts and improved verification. The US was now holding discussions with Moscow on this.

Mr Speakes said the Russians had never responded to the invitation to inspect US sites. "We actually gave them the key to the gate out of Nevada and said, come ahead. They never showed."

There were no official confirmation of the raid but it was not denied either. The South African unit had penetrated "deep" into western Angola, and the operation, begun last weekend, was still going on, the sources said.

The raiders captured 260 mortars, seven rocket-propelled grenades and a large quantity of hand-grenades and landmines. Black policeman's plight, page 8

November, against 10 per cent in August.

Reversing an 18-month trend, trade in the Midlands and the North, including Scotland, is showing a greater momentum in the Christmas season, according to Mr Peter Brimacombe, merchandise and marketing director for House of Fraser, the largest department store group.

Sales were already "comfortably ahead" of last year, but he added: "I do not detect a too free-spending Christmas. People are thinking before they buy."

Like many other stores, Fraser is finding more sales are being made on credit.

Retailers expect to invest more in the next 12 months, and shopkeepers are employing more full-time and part-time workers. Wholesalers are also taking on more full-time workers.

European bid fuels Westland battle

By Julian Haviland
Political Editor

The fight over Westland helicopters will sharpen today with publication of detailed proposals for the company's rescue by a European consortium led by GEC and including French, German and Italian manufacturers.

Members of the Government who favour the European consortium, brought together by the efforts of Mr Michael Heseltine, Secretary of State for Defence, were confident last night that it will offer terms more attractive to Westland, its shareholders and workforce than those already accepted by the Westland board from Sikorsky of the United States and Fiat of Italy.

Giving details yesterday of the Sikorsky-Fiat arrangement, which will give those companies a 30 per cent holding in Westland, Sir John Cuckney, the chairman, revealed pretax losses of £106.6 million for the year to the end of September.

Sir John described the European counter-offer, as he understood it, as "deficient in commercial appeal". He pointed out how near Westland had been to receivership and how urgent it had been to get a firm rescue agreement in place.

The Prime Minister and other ministers involved recognized that urgency and backed the Sikorsky-Fiat deal in the belief that it was the only one firm enough to guarantee the company's survival.

Mr Heseltine, who has fought a tenacious and sometimes angry battle with his colleagues to keep the European option open, was yesterday allowed for the first time to deploy before the full Cabinet considerations of national defence.

Later he and his chief rival, Mr Leon Brittan, Secretary of State for Trade and Industry, went to the Commons to hear Mrs Margaret Thatcher say the Cabinet had reaffirmed that Westland's future was a matter for its directors and shareholders.

There were Labour shouts of disbelief when Mrs Thatcher, challenged by Mr Neil Kinnock, said that was the position of the whole government.

With Parliament rising today for Christmas, and the Cabinet not due to meet until January 9, the argument between ministers in the two camps stands adjourned.

Whether it resumes will depend on whether today's proposals from the European consortium, of GEC, British Aerospace, Aerospatiale of France, Agusta of Italy, and MBB of West Germany, proves competitive.

Shareholders in Westland, many of whom are small investors, have suffered attributable losses of £98.7 million (our Business News staff writes). Parliament, page 4

Results and rescue package, page 15

Lloyd's interests 'a vipers' nest

By Anthony Bevins
Political Correspondent

Mr Brian Sedgmore yesterday alleged a series of high-level scandals in and around the Lloyd's insurance market to back his demand for "a clean-out at the top".

He told the Commons that fraud had continued beyond the Lloyd's Act 1982; that there was need for "a rigorous inquiry" into the activities of Sir Peter Green, a former chairman; that Mr Leslie Dew, a former vice-chairman, had had "a number of commissions" paid into a Swiss bank account; and that he had discovered a "vipers' nest" of Lloyd's interests in the Royal Courts of Justice.

Mr Sedgmore also alleged that Mr Abdul Shamji, the head of one of Johnson, Matthew Bankers' biggest debtors, had attempted to buy him off.

Speaking in an all-night Commons debate, just after 3am yesterday, the Labour MP said that his campaign against City fraud had so far attracted 800 supportive letters, of which 100 related to "serious cases".

He gave a warning that there was a great deal of dirt and "flak" yet to come, and said: "Lloyd's must clean itself up or the Government will have to do the cleaning for it."

But in advance of yesterday's publication of the Financial Services Bill, which excludes Lloyd's from its control provisions, he said that the 1982 Act had failed to have an impact on the problem. He said that it was a simple statement of fact that fraud had continued after the Lloyd's Act in syndicates managed by Peter Cameron-Webb, Alexander Howden, and Brooks and Dooley.

"After the passing of the Lloyd's Act," he said, "a series of fundamental questions hangs over the operations of the former chairman of Lloyd's, Sir Peter Green."

Mr Sedgmore alleged that serious questions were raised by Sir Peter's Imperial and Cayman Islands Offshore Reinsurance company; his role in the "cover-up" of the Peter Cameron-Webb affair, and his examination of the £300,000 Monte Carlo Unimar "slush fund", which he cleared of impropriety. He said that another Unimar report, when published, would show that Unimar involved "big names".

Turning to the former deputy chairman, Mr Sedgmore said that Mr Dew had been employed by Merrett, a Lloyd's management agency, but had been involved in "substantial banking business for Alexander Howden", another agency. He said that Mr Graham Sloan, director of Howden's banking business, knew the number of the Swiss bank account because he had paid the "commission" into it.

Having wondered how far the power of Lloyd's went, Mr Sedgmore said that he was

Continued on back page, col 1

Pretoria troops raid Angola

Johannesburg - A small contingent of South African troops is engaged in a "hot pursuit" raid into Angola, and has killed at least six guerrillas of the South West Africa People's Organisation (SWAPO), according to informed sources in Pretoria (Michael Hornsby writes).

There was no official confirmation of the raid but it was not denied either. The South African unit had penetrated "deep" into western Angola, and the operation, begun last weekend, was still going on, the sources said.

The raiders captured 260 mortars, seven rocket-propelled grenades and a large quantity of hand-grenades and landmines. Black policeman's plight, page 8

Man aged 79 gets 'life' for murder

George Watson, aged 79, was jailed for life yesterday at the Central Criminal Court for the murder of Kirsty Bryant, aged seven. He is believed to be the oldest person put on trial this century.

A jury of five women and seven men took just under an hour to reach a unanimous guilty verdict. The court had heard how Watson, a fish bar cleaner, met Kirsty outside a fish-and-chip shop and lured her into his bungalow at Kingston-upon-Thames, sexually assaulted her, then attacked her with a kitchen fork and a breadknife.

Watson, who had pleaded not guilty, had 73 previous convictions, including sexual assaults on children. Court report, page 3

Big stores are heading for a happy Christmas

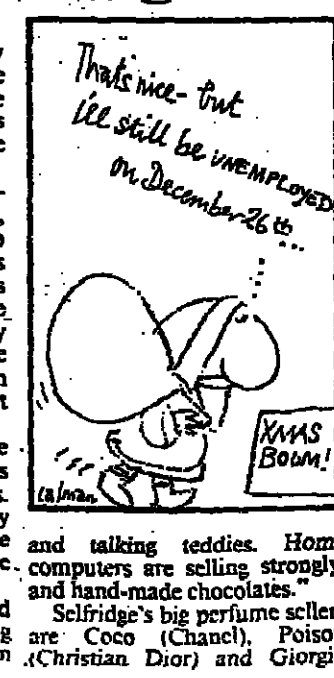
By Derek Harris, Industrial Editor

Christmas retail trade looks likely to be up at least 5 per cent in volume this year, although imports are seizing a bigger share of the market, it emerged yesterday from the Confederation of British Industry and reports from the retail trade.

Some stores are showing bigger increases. Selfridges in Oxford Street, central London, is seeing sales volumes up so far by about a fifth, in spite of unseasonably mild weather curbing sales of clothing and footwear.

At the 21 department stores of the John Lewis Partnership sales, in the first week of December, rose 11 per cent in value. In real terms, taking account of inflation in this sector of goods, the volume increase is probably 6 to 7 per cent.

The Retail Consortium, trade body for the majority of



(from the United States company of that name).

A record Christmas was forecast by the CBI/FT quarterly survey of the distributive trades, published yesterday.

Retailers' expectations, monitored in the survey, suggest a volume growth this month only slightly lower than in August, which was a record month. August sales in volume rose 6.8 per cent on a year earlier. The big multiple chains were expecting the biggest increase in business and the corner shops the least. Mail order companies appear to be doing well.

While British manufacturers are benefiting to some extent from the boost in sales, the CBI is "not too happy" about the apparently growing extent of import penetration. A balance of distributors reporting greater imports rose to 18 per cent in

Purest of the pure.

Glenfiddich Pure Malt Whisky is unique among malts. No other Highland Malt uses a single source of pure natural spring water throughout from distilling to bottling.

Since 1887 the waters of the Robbie Duff have ensured the consistent purity of taste for which Glenfiddich is justly famous.

Glenfiddich. The pure malt.

Protest barrage from shire counties over rates support

By Colin Hughes, Local Government Correspondent

Ministers yesterday faced a barrage of protest from county and district councils, most of them in the Conservative-voting shire heartlands of the South-east, over next year's rate support settlement.

In the worst-affected county, Bedfordshire, ratepayers are facing a predicted increase of more than 30 per cent in next April's bills. In Hertfordshire the bill will be little short of 30 per cent, and in Surrey, where Conservative leaders had been planning for a low rate rise, the bill could go up by nearly 15 per cent.

On top of that, ratepayers in some areas of the worst-affected counties face even larger bills, because the smaller district councils also suffered losses in the Government's settlement for next year's local government grant.

The losses arise from new methods of calculating need, which have shifted grants away from the shires towards the inner cities and more sparsely populated rural areas. The Government has allowed for the shift by creating a "net" to catch shires which suffer worst, but the effects are still severe in several areas.

They are exacerbated because the new "sloping" schedule of penalty, which shifts grant withheld from high spenders to low spenders, is volatile, and makes it hard for councils to predict exactly how much grant they will receive.

Mr John Lovell, chairman of the Association of County Councils, yesterday wrote to Mr Kenneth Baker, Secretary of State for the Environment, seeking an urgent meeting "in view of the very serious situation facing many non-metropolitan councils as a result of the settlement".

Mr Phillip Hendry, Conservative leader on the hung council of Bedfordshire, said the settlement was "horrible" in its effect. "Our calculations show that Bedfordshire suffers half again as badly as the next worst loser. We are right at the bottom of the pile. After having lost about £11 million in grant last year, this is piling agony on agony."

He added: "I am not prepared to carry the can locally for decisions taken nationally. We have waited our guts out for the past eight years to bring down spending. As a loyal

Conservative, I am not prepared to be kicked in the teeth any longer."

Mr Frank Cogan, Conservative chairman of Hertfordshire, another hung council where Tories hold the largest number of seats, said he was "numbed" by the grant loss. He would be seeking an early meeting with Mr Baker to protest over the county receiving a bad deal during the past decade.

Mr Derek Thomas, treasurer of Conservative-controlled Surrey, said changes in the system made it almost impossible to plan how much grant the county could expect.

One of the most ironic losers will be Essex. Mr Robin Williams, chairman of the Conservative administration in the hung authority, said that the council would still receive only £115 million in grant if it spends £540 million next year, which is £12 million less than the Government estimates the county needs to spend.

Mr Trevor Watkins, the treasurer of Oxfordshire, again a hung council with Conservatives dominant, said the county's cut of £14 million in grant was "savagely", particularly after a £10 million loss last year.

Following is a list of councils which, even assuming the Government's low inflation expectations, will face rate rises above inflation: Counties: Hertfordshire, Bedfordshire, Oxfordshire, Surrey, Isle of Wight, Cheshire, Derbyshire, Nottinghamshire, Kent, Hampshire, Suffolk, Warwickshire.

Districts in worst-affected counties: Cheshire: Crewe and Nantwich, Ellesmere Port, Vale Royal, Derbyshire: Amber Valley, Bolsover, Chesterfield, Erewash, High Peak, NE Derbyshire, S Derbyshire, W Derbyshire, Hampshire: E Hampshire, Fareham, Rushmore, Hartley Wintney, Havant, Wokingham, Woking, Basingstoke and Deane, Basingstoke and Deane, Basingstoke and Deane, Basingstoke and Deane.

Mr Kenneth Baker, Secretary of State for the Environment, said the settlement was "horrible" in its effect. "Our calculations show that Bedfordshire suffers half again as badly as the next worst loser. We are right at the bottom of the pile. After having lost about £11 million in grant last year, this is piling agony on agony."

He added: "I am not prepared to carry the can locally for decisions taken nationally. We have waited our guts out for the past eight years to bring down spending. As a loyal

Minister rejects teachers' pay inquiry

By Lucy Hodges Education Correspondent

Sir Keith Joseph, Secretary of State for Education and Science, reiterated his tough stand on teachers' pay yesterday by rejecting an inquiry and saying teachers would get more money only if they agreed to a conditional offer.

The conciliation service Acas also wrote to Mr David Hart, general secretary of the National Association of Head Teachers, to offer formal exploratory talks. The National Union of Teachers and National Association of Schoolmasters/Union of Women Teachers agreed yesterday at the prompting of Mr Norman Willis, TUC general secretary, to consider the Acas approach.

Sir Keith's rejection of an inquiry came out of the meeting which ministers had with Mrs Margaret Thatcher on Tuesday about the 10-month dispute. The Government has decided to stand firm.

"I do not see that such an initiative (an inquiry) would produce an early resolution to the current dispute in view of the union's insistence, repeated at the talks on Tuesday, on a settlement for 1985 without strings and at a level above which the employers can afford," Sir Keith said.

"The figure which the union leaders hit upon at those talks, 9.9 per cent, suggests to me that they are more interested in striking postures, and showing up the false expectations they have raised, with their members than in negotiating a pay settlement."

It was important that both sides should approach negotiations with realism, he told Mrs Nicky Harrison, the employers' leader, and that meant any extra money from the Government would come only from the £1.15 billion on offer from last August for improved promotion prospects and a clarification of teachers' duties.

"Only through embracing these reforms so necessary to children are to escape the appalling disruption which they are now enduring, will the two sides unlock additional public investment in teachers' pay."

This tough stand angered Mr David Hart, the new secretary of the teachers' side. "It seems to me that the education service is in grave danger of being brought to a halt next term as a result of the combination of the positions adopted by the National Union of Teachers and Sir Keith," he said.



Police officers blocking the entrance to the Liverpool side of the Queensway Mersey tunnel yesterday after police raids on both Mersey road tunnels, to investigate allegations that toll operators had been involved in fraud and theft. The Birkenhead tunnel was blocked for an hour and "honesty boxes" were later opened while toll operators were questioned.

Dons vote for strike over funding

By David Jobbins of The Times Higher Education Supplement

University lecturers are to take strike action for the first time in their union's history in an attempt to draw attention to their anger over university funding and the consequences for their pay.

Plans for a one-day strike on January 15 have been endorsed in a ballot of the 30,000 members of the Association of University Teachers.

Voting was narrower than union leaders would have liked with just over one-third of the association's members declaring themselves in favour.

But the union executive, meeting in Newcastle-upon-Tyne last night, decided to go ahead with the action and to put plans for continuing the campaign to the union's council, tomorrow.

With 68 per cent of members voting, the strike call was endorsed by 10,871 votes to 9,051. The executive has no power to instruct its members to strike and union leaders are giving urgent consideration to ways of involving lecturers who voted against the strike.

Right wins seats in TGWU poll

By David Felton, Labour Correspondent

The leadership of Britain's largest union, for many years seen as the left's standard bearer, has moved right, with the likelihood of further change in the new year.

Results of elections to the Transport and General Workers' Union executive, which emerged last night, indicated that the left had lost at least two seats. Right wingers were jubilant at displacing Mr Walter Greendale, the hard left chairman, who is extremely influential in left politics.

The move to the right in the elections for 25 of the 39 seats is expected to be mirrored in voting for the other 14 seats, probably in February, which will be held under the new electoral system agreed this week to comply with the law.

Defeat for Mr Greendale, aged 56, a Hull dock worker who is a supporter of what used to be known as the Bennite left, is a substantial blow. Last night, his political allies were pondering ways of ensuring that "he is not left in the cold".

One possibility is for Mr Greendale, a member of the TUC General Council, to stand

Call to end doctors' rights to job for life

By Nicholas Timmins Social Service Correspondent

Doctors should lose their security of tenure and be put on fixed contracts so they can be dismissed if they are no good or if a health authority needs to change its mix of services, a leading health care specialist said yesterday.

If the Government is serious about improving health service efficiency it should look again at doctors' contracts. Professor Alan Maynard, director of the Centre of Health Economics at York University, which is partly funded by the Department of Health and Social Security, he said.

"At present the general practitioner has a job for life with no compulsory retirement age. Consequently a 35-year-old or an 85-year-old GP can deliver poor care to patients, and the employing authority, the family practitioner committee, finds it difficult to remedy deficiencies."

"Moral persuasion, disciplinary proceedings and even fines by the Secretary of State are cumbersome and inefficient methods of remedying the often difficult to identify deficiencies in general practice."

Health authorities face similar difficulties in trying to dismiss inefficient consultants. The "efficiency margin" of the profession could generate "in the extreme, premature death, hospital-induced infection, long waiting times and a variety of other burdens on patients which could be avoided."

In the United States it is not unusual for doctors to have annual or two-year contracts which are renewable depending on performance. A survey in the *British Medical Journal* in the United Kingdom, a four-year contract with two-year roll-ons might be more acceptable. Doctors could be offered either their present contract, with no pay increases, or a new rolling contract, with pay increases.

Reviews should be carried out not just by medical colleagues but by managers and health authority members in the light of past performance and future needs of health authorities.

Family doctors' leaders are to hold "constructive discussions" with the Royal College of General Practitioners on proposals to link GPs' pay to their performance.

Council will pay tenants to quit

The London Borough of Bromley's housing committee has set aside £1 million to offer to tenants who leave council accommodation to buy their own homes. The plan is to offset the success of the council's housing sales policy, which has left it unable to meet its legal obligations.

Bromley tops the housing sales league, with more than 2,500 homes sold since 1980. Four fifths of the sales have of two three-bedroom houses, with the result that the council can no longer hope to rehouse families from the waiting list, however desperate their plight.

An emergency meeting of the housing committee decided on Tuesday night that for the council should pay £5,000 to up to 200 tenants who committed themselves to buying their own homes in the private sector, thus releasing two-bedroom units to the council for reletting.

The London Borough of Brent is operating a similar scheme with some success. If a private landlord were to offer secure tenants financial incentives to give up possession of their homes, he could be guilty of harassment under the Protection from Eviction Act.

Mr Arthur Kitson, Bromley's director of housing, said yesterday he had reservations as to how successful the scheme would be. "With the Government offering 40 per cent to 70 per cent discounts on the purchase of existing council homes, it has been a considerable financial inducement to make tenants give up that sort of money advantage in the right to buy their council accommodation," he said.

"We do however, get tenants who are leaving to buy their own homes elsewhere, and the extra £5,000 may make all the difference to some."

The housing committee preferred the financial inducement scheme to council building, aid to council housing, or grants to housing associations, self-build or joint venture housing schemes. Before it comes into operation the policy has to be approved by the policy and resources committee, which meets on January 15.

Housing 'to be cut by 19%

The Government detailed yesterday housing allocations for 1986-87, £1,465 million compared with £1,600 million for 1985-86. It brought immediate protests from the Association of Metropolitan Authorities.

When Mr Kenneth Baker, Secretary of State for the Environment, announced the allocations last month, he indicated that he had gained an increase of £220 million in public housing provision. The AMA said last night: "The extra £220 million simply does not exist." The allocation showed a cut of 19 per cent in real terms, it said.

The allocations, announced by Mr John Patten, Minister for Housing, include £50 million reserved for the first time for projects identified by local authorities in conjunction with the Urban Housing Renewal Unit, set up in July to help councils tackle run down, difficult-to-let estates.

Mr Patten said that the allocations would place greater emphasis on the need for spending on renovating the local authority stock, homelessness, needs of the inner cities and obligations of authorities to make good defects.

About £30 million will be channelled directly to regions, such as the South-west and the South-east.

2 sentenced for pit strike killing

Colin Dusty, aged 23, a miner was jailed for four years and Patrick McHale, a former apprentice footballer, aged 19, was given three years' youth custody at Sheffield Crown Court yesterday after pleading guilty to the manslaughter of David Carr, aged 17, in November 1984, during the miners' strike. Both were from Doncaster.

Mr Carr's brother Melvyn, aged 32, was found not guilty of affray but was given a suspended 12 month prison sentence after pleading guilty of possessing an offensive weapon, a home-made spiked club. Hardisty had triggered the incident by throwing a stone at the Doncaster home of Melvyn Carr who had returned to work during the strike.

Correction

A picture caption on December 11 mentioned Mr Michael Quinn, of the Ritz Hotel, London. Mr Quinn left the hotel in February.

Opposition MPs deplore student grant cuts

A total of 91 opposition MPs had yesterday signed an early day motion deploring the Government's announcement of a 3.5 per cent cut in the real value of the student grant and its decision to remove students' eligibility for supplementary and housing benefit in the short vacations. (Lucy Hodges writes)

Mr Giles Radice, Labour spokesman on education, and one of the motion's signatories, said he believed it had the makings of "yet another widespread revolt against the Government".

Although there are no Conservative signatures to the motion yet, Mr Robert Rhodes James, Conservative MP for

INLA hunger strike begins

From Richard Ford, Belfast

A convicted terrorist refused breakfast in the Maze Prison yesterday, signalling the start of the Irish National Liberation Army's threatened hunger strike in protest at the jailing of 27 men on the word of an informer.

Robert Tohill, aged 26, had declared in Belfast Crown Court that he would be the first of the sentenced men to be a fast to death and at 11.15 an he refused food.

It is thought that other men will follow Tohill on hunger strike at weekly intervals, although how committed to such a course of action, given that they are likely to appeal against their convictions, and how much support there is in the community for

£1m breeding ground for toads

By Patricia Clough

British Nuclear Fuels is to spend £1 million to create a new breeding ground for about 500 rare natterjack toads, whose present home is in the path of a planned railway track at its Sellafield complex in Cumbria. The company will dig new ponds, divert a stream and landscape the area with the toads' favourite soil and plants at a cost of about £2,000 a toad.

Mr Robin Luxmoore, a mechanical engineer and amateur naturalist, who looks after the toads' interests in BNF, said the company had already spent between £5,000 and £10,000 on the creatures in the past 10 years, including building a dam, so their present pond did not dry out during

the winter. "We are going to great lengths to do what we think the toads will like, such as re-creating a dune landscape with sand, marram grass and heath plants," he said. The plans were drawn up with experts from the British Herpetological Society, Sussex University and the Nature Conservancy Council, whose approval was necessary before the firm could get planning permission for the railway.

Once the toads have been coaxed to their new ponds they will be prevented by a "toad fence", a fence with about 18 inches of polythene sheeting along the bottom from going back while the old area is being filled in.

Security review at Downing St

By Stewart Tendler Crime Reporter

A review of security for 10 Downing Street and surrounding buildings has been ordered by Mr Douglas Hurd, Home Secretary, after the discovery of an intruder on the roof of the Prime Minister's residence last weekend.

Scotland Yard said the intruder did not present a serious breach of security, but in a parliamentary written answer yesterday Mr Hurd disclosed that a serious gap in Downing Street's defences had been found.

He told Mr Harry Greenway, Conservative MP for Ealing North, that a report by the Yard showed that alarms and police responses to the intruder worked effectively.

Navy force to go on world trip

By Rodney Cowton Defence Correspondent

Seven ships of the Royal Navy and the Royal Fleet Auxiliary, led by the carrier, HMS Illustrious, are to make an eight month round-the-world deployment next year.

They will leave next April under the command of Rear Admiral Robin Hogg, and visit the north Pacific, Far East, Australasian and Indian Ocean areas. Full details of their programme have to be worked out but it is understood that they will not visit New Zealand because of its unwillingness to accept ships that may be carrying nuclear weapons.

The policy of the Royal Navy is to refuse to say whether ships are nuclear-armed.

ITV toughens stand on electricians' strike

By David Hewson

Leaders of the electricians' union will meet in London today to discuss their dispute in independent television amid a hardening of attitudes among commercial television employers.

More than 400 members of the union have been suspended at five stations, Central, ITV, LWT, ITN and Thames for taking industrial action over new contract clauses concerning sexual staff and late-night working.

According to one industry source last night the average wage for an ITV electrician is £22,000 a year including overtime, and £32,000 in London. At LWT it is understood that the highest paid electrician earns about £40,000 a year.

The electricians fear that a new contract being proposed could lead to a drastic reduction in their salaries and more casual employment, although the companies insist that the clauses concerned have been operating since 1957.

Staff at the five stations where electricians have been suspended walked out after talks at Acas broke down earlier this week. Their absence has caused reduced lighting for live programmes and affected the recording of items for future use and has had some effect on transmissions.

The union says that it does not intend to disrupt transmissions on Christmas Day. Management insists that broadcasts are not immediately affected by electricians' walk-outs, however, and believes that senior executives will step in to ensure transmissions go out.

AUEW again favours state cash for ballots

By Barrie Clement, Labour Reporter

The fact that the Amalgamated Union of Engineering Workers has voted by nearly eight to one to accept government money for ballots, is further confirmation that the grassroots of the labour movement has accepted the principle of state aid for secret voting procedures.

The voting was 239,875 to 31,569 in a 34.9 per cent poll and comes after last week's nine to one vote by the Electrical, Electronic, Telecommunications and Plumbing Union to do the same.

Both the engineers and the electricians were under threat of suspension or expulsion from the TUC until recently for taking the money, but the labour movement this week called a special conference in February to revise the policy. A year ago the engineers voted by 12 to one to take the money, but the AUEW national committee called for another poll.

Announcing the result in London yesterday Mr Gavin Laird, general secretary of the engineers, said: "I am not prepared to talk about the TUC giving away. Norman Willis (TUC general secretary) has tried very hard to find a formula and we are delighted that has been achieved. I am not going to crow about it."

Difficult or lengthy child-care cases will be able to be transferred from magistrates' courts to the High Court under the Children and Young Persons (Amendment) Bill which was published yesterday.

The provision has been included after discussions between the Bill's sponsor, Mr Dennis Walters, Conservative MP for Westbury, and senior Government ministers, and MPs are hoping that it will improve its chances of success.

Mr Walters, who finished third in the ballot for private members' legislation, brought in a measure to strengthen child protection in the wake of widespread public concern

MP seeks BT shares inquiry

By Richard Evans Lobby Reporter

The Commons public accounts committee, Parliament's public spending watchdog, is to ask the Treasury to investigate allegations of "sharp practice" arising out of the British Telecom flotation.

Mr Bryan Gould, Labour's frontbench trade spokesman, made the request yesterday because of his concern at reports that members of City institutions which were changing higher than normal fees while acting in a professional capacity, dealt in shares on their own personal accounts when it was clear they could make a big profit.

"It is precisely this sort of conflict of interest which worries so many about the way the City operates. The taxpayer has lost out because the rules were not tight enough or were not strictly applied," he said yesterday.

In a letter to Mr Robert Sheldon, chairman of the committee, Mr Gould said it seemed likely that when it became clear that large capital gains could be made overnight, many firms acting as underwriters decided to distribute large numbers of shares to "amongst themselves, their staff and their favoured clients and friends."

He added: "I know of one case of a commodity broker acting as an underwriter of a public issue, and having made gifts of 20,000 shares each to their heads of department and 5,000 shares each to their principal dealers."

Police investigating an alleged breach of section two of the Official Secrets Act yesterday interviewed staff of the *New Statesman* magazine in London (our Crime Reporter writes).

Detectives from Avon and Somerset spoke to the editor, Mr Hugh Stephenson, and Mr Duncan Campbell, who wrote a report, published on November 29, which gave details of a police order about the movement of nuclear weapons through the area.

Afterwards Mr Campbell said the police had cautioned journalists and told them a report would be sent to the Director of Public Prosecutions concerning any breaches of section two and section 12 which also covers official information.

sex kill
life for
stabbing

Few
favour

Aids
for war

Jail after
siege
Police

Child sex killer, 79, gets life for frenzied stabbing of girl

A man aged 79 who stabbed Kirsty Bryant, aged 10, to death during a frenzied sexual attack was jailed for life at the Central Criminal Court yesterday.

George Watson showed no emotion as he was taken to the cells amid shouts and death threats from relatives of the dead child, who leaped over the public gallery to point accusing fingers at him.

Two elderly male and two female jurors, who returned their verdict of guilty to murder in 55 minutes, wept at full details of Watson's criminal record were disclosed to them and to the girl's parents. He had been sentenced to a total of 39 years imprisonment for 73 previous convictions.

A woman juror shouted as Watson was led from the court: "How could they let this animal live?"

Watson, from Portobello, near Edinburgh, believed to be the oldest man in Britain to face a murder trial this century, abducted the girl on January 29 from outside a chip shop in Kingston, Surrey, where he worked as a part-time cleaner.

Within an hour he had killed her at his old people's bungalow in Aycliffe Close, Kingston.

Det Chief Insp John Jones said that Watson had given his date of birth as May 13, 1906, although the police suspected he was 75. He had 73 previous convictions, mainly for dishonesty and had been given jail sentences totalling 50 years for past crimes, the last term of imprisonment being in 1982.

In 1945, at Edinburgh High Court, Watson was sentenced to three years' penal servitude for assaulting his nephew aged 11 and an assault with intent to ravish a girl aged nine. He hung her down a flight of stairs and sexually assaulted her while she was unconscious.

In 1968, at the Central Criminal Court Watson was jailed for seven years for abducting a girl aged 10 and trying to strangle her while sexually assaulting her.

He was interviewed by the police, but eliminated from inquiries, in connection with the murder of Caroline Hogg, aged five, who disappeared

from a fairground near Portobello in July 1983 and whose body was found near a motorway in Leicestershire 10 days later.

Because of his record Watson was arrested eight hours before Kirsty Bryant's body was found by her father.

She had been stabbed more than 70 times, with a long-bladed breadknife and a two-pronged fork. Many of the injuries were to her head, face and neck. Watson then sexually mutilated her body.

He cleaned up, dumped the body in a neighbour's dustbin

from the public gallery. There were shouts of: "You bastard, you'll get yours inside".

After his arrest, Watson told detectives: "I hate men and I hate women, with the exception of Mary. I hate boys and I hate girls. But most of all I hate coppers".

In a letter to Miss Cooney from prison Watson begged forgiveness for the murder and added: "My only excuse is drink, and that is no excuse."

In spite of a full confession and the letter, Watson told the jury someone else was responsible for the killing.

Kirsty Bryant, who lived in Addison Gardens, Kingston, was described as "a little angel" by family, neighbours and teachers. A shy child, she would never willingly go off with a stranger. Watson had seen her as she stopped for chips with her brother Alan, aged 11, while they were on their way home from school. The boy went off for a swimming lesson, believing his sister was safe.

Mr Colin Nicholls, QC, for the prosecution, said that Watson had been drinking heavily. He shouted at the girl and because she was afraid went with him to his home 200 yards from the shop. He then attacked her in the kitchen.

Several times during the trial members of the jury of seven men and five women showed signs of distress, particularly when looking at harrowing police photographs of the girl's body.

Watson is to be questioned by the police about unsolved child killings over a number of years.

Watson, if he lives, will serve at least 20 years under guidelines from Mr Leon Brittan the former Home Secretary.

Mr Brittan told the Conservative Party conference in 1983: "Those who commit sexual or sadistic murders of children are guilty of acts of a particularly repellent character. It is right that they should expect to serve at least 20 years in prison."

His sentence will begin with a period of assessment of several months before it is decided where he should serve the remainder of his sentence.

Watson, who had 73 previous convictions, and went out drinking with a girlfriend, Miss Mary Cooney, aged 23.

Mr Justice Simon Brown told Watson: "You have been found guilty on the clearest possible evidence. Words cannot express one's feelings of revulsion of an offence such as this, the wicked murder of an innocent child."

"You enticed this trusting and defenceless little girl back to your house and then you committed upon her a ferocious and sustained attack which, bravely but vainly, she struggled to resist. One can only guess at the intense misery you have brought on her family."

As Watson was led to the cells he will serve his sentence in solitary confinement because of threats from other prisoners, the child's father, Mr John Bryant, aged 31, a builder, and several of her uncles, watched

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July change in new car plates urged

By Clifford Webb
Motoring Correspondent

The Motor Agents Association has told Mr Nicholas Ridley, Secretary of State for Transport, that Britain's garages have voted overwhelmingly to keep the annual letter change on new car registration plates but want it moved from August to July.

An unprecedented 60 per cent of the association's 5,000 franchised dealers responded to the poll. That reflects the growing concern in the trade that faced with a division among the manufacturers Mr Ridley is preparing to impose his own solution.

Austin Rover has led the campaign to change from August because, it claims, that month favours importers. They are able to meet the huge August demand, one in five of annual sales, by topping-up car stocks from continental factories. The British company, however, has to turn the production "tap" on and off with record output followed by lay-offs.

Mr Mike Lacey, deputy managing director of Glass's Guide, the trade's price guide, told the association of national vehicle committee recently that he estimated the annual letter change is worth up to 100,000 extra sales.

Motoring, page 23

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Pop star not to blame for mishap

Paul McCartney, the musician and song writer, was not to blame for a delivery man's broken ankle, a High Court judge ruled yesterday.

In a test case brought by the mother of the "Yorkshire Ripper's" last victim, Jacqueline Hill, aged 20, retired judge Sir Neil Lawson, aged 77, said there was no reasonable course of action. The claim by Mrs Doreen Hill against West Yorkshire's Chief Constable Mr Colin Sampson, would be struck out.

Giving judgement in court after a private hearing, Sir Neil said: "It is highly undesirable for a court to exercise a supervisory jurisdiction over the conduct of criminal investigations."

Mrs Hill, from Middlesbrough, whose daughter was the

thirteenth victim of Peter Sutcliffe, in November 1980 claimed about £100,000 damages for negligence, arguing that the police should have caught him earlier, so her daughter would still be alive.

She sought damages from Mr Sampson, who replaced Mr Ronald Gregory, who angered Mrs Hill when he sold his memoirs to a newspaper for what she described as "blood money."

Sir Neil said that he had seen how members of the public performed at Sherlock Holmes. To invite the court "to perform a Sherlock Holmes act would put the judge in an uneasier position."

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PARLIAMENT DECEMBER 19 1985

Building Societies Bill

Drink and driving

Fish and food

Cabinet agrees Westland must take decision

DEFENCE

Mrs Thatcher, the Prime Minister, confirmed in the Commons that the Cabinet had decided that the future of Westland, the helicopter makers, was a matter for the company itself to decide.

She came under attack from Mr Neil Kinnock, Leader of the Opposition, for backing the company and not backing Mr Michael Heseltine, Secretary of State for Defence. To loud Labour laughter, Mrs Thatcher retorted that the position of the Cabinet was the position of the whole Government.

Mr Derek Spencer (Leicester South, C) beginning the exchanges, asked in view of the announcement by the board of Westlands of their intention to enter into an agreement with Sikorsky/Hill, will she confirm that the position of the Government is as set out by the Secretary of State for Trade and Industry (Mr Leon Brittan) in his statement on Monday?

Mrs Thatcher: Yes. The future of Westlands is a matter for the company to decide. The company's decision is a matter of commercial judgement of its directors and shareholders. That was the position set out by Mr Brittan and that was the position reaffirmed by the Cabinet this morning.

Mr Kinnock: It smacks of something of a change for her actually to go to the Cabinet. Given the extremely obvious public views of the Secretary of State for Defence (Mr Michael Heseltine) and the Select Committee on Defence, does Mrs Thatcher really think that the subjective preferences of a company are an adequate basis on which to determine important national defence interests of the country?

Mrs Thatcher: This is a private sector, public limited company. The

future of Westlands is a matter of commercial judgement for its directors and ultimately for its shareholders. That was the position reaffirmed by the Cabinet.

Mr Kinnock: Mrs Thatcher points out that the company is responsible to its shareholders, but is she not responsible, as Prime Minister, to the nation and for the proper welfare of the nation?

Why does she not take that into proper account, as the Secretary of State for Defence has clearly and publicly pointed out that she should be doing?

When the strategic, considered judgement of her Secretary of State for Defence is contrary to the view given by a private company, why is she backing them and not backing him?

Mrs Thatcher: I have indicated the position of the Cabinet this morning and the position of the whole Government (loud Labour laughter).

Mr Edward Taylor (Southend East, C) will the Prime Minister ensure that there is no question of the Ministry of Defence discriminating against the Westland company?

Mrs Thatcher: I indicated the Cabinet's decision. Major procurement decisions are a matter for collective decision of the Government as a whole.

Sir Geoffrey Finsberg (Hampstead and Highgate, C) Whatever decision may be ultimately taken by the shareholders of Westland, it has at least flushed out the Labour Party from bench into appearing to support the defence of this country.

Mrs Thatcher: If the Labour Party is supporting NATO and supporting the defence of this country, that is very well worthwhile and a change of policy for some.

Later, on a point of order, Mr Kinnock called for a further statement from the Government.

Satisfactory fishing deal

EUROPE

Increased fishery protection measures are being mounted in the waters round south-western England where there will be two fishery protection vessels, more patrols by Nimrod aircraft and the list of Spanish boats which fish there is to be computerized to improve policing of their fishing.

This emerged in exchanges after a Commons statement by Mr John Gummer, Minister of State for Agriculture, Fisheries and Food, about the Fisheries Council of the EEC earlier this week.

In his statement, Mr Gummer said that the agreement reached on total allowable catches and quotas for the Ten in 1986 was a package which was highly satisfactory for the United Kingdom.

He had criticized at the council some aspects of the agreement on fishing with Norway, on which total allowable catches (TACs) had had to be based. In general, however, the package of TACs, quotas and third country arrangements negotiated offered a particularly attractive

range of fishing opportunities to the United Kingdom.

There were significant increases in British haddock and saithe quotas and improvements in cod, plaice and sole quotas.

They had successfully resisted Danish pressure for continuation of special allocation of cod to Denmark outside the TAC. Britain had achieved a one-third increase in herring quotas in the important Northern and Central North Sea areas and a useful mackerel quota in the North Sea.

In Western pelagic stocks, original mackerel and herring quotas were increased but the outcome was still, as it should be, in view of scientific advice, below last year's levels. There had been increases in availability of sole in the South-West of about a third and of plaice by about 10 per cent.

We also obtained (he said) an immediate increase in our current quota for plaice in the Bristol Channel which would allow the fishery to be reopened for the rest of the year.

It added up to a very satisfactory settlement but was overshadowed by the danger of the Commission

proposal that the derogation allowing the Danes to take an 18 per cent by-catch from Norway which they did last year instead of 10 per cent, which is the basic amount permitted under the 1983 Common Fisheries Policy.

Britain had fought against the Commission proposal for six months and he was relieved and delighted that it had been excluded from the package and was now withdrawn.

The Council had agreed a series of improvements to the regulation on control of fishing which should provide for better enforcement of log books and landing declarations as well as better control of transshipments to receiving vessels.

Mr Stuart Randall (Hull, West, Lab), an Opposition spokesman, said that many British people, especially those in the fishing industry, believed that the new EEC countries had overfished certain stocks and were greedy and unacceptable to British fishermen.

He asked for an assurance that unfair practices would be discontinued.

The statement was inadequate on protection and enforcement (he



Randall: Other countries ripping us off

said). They should not continue the same old routine of other countries ripping off our industry.

Mr Gummer: It is not fair to suggest that we have not been concerned with enforcement.

Mr Austin Mitchell (Great Grimsby, Lab) said that the reduction of quotas would have serious consequences for Grimsby vessels suitable for cod catching. He asked for compensation, as farmers had not been asked to give up their land.

Mr Gummer said the future of cod fishing depended on protection of stocks achieved by reduction of quota.

The expanding role of building societies

LENDING

The primary theme of the Building Societies Bill was continuity based on a successful formula. Mr Ian Stewart, Economic Secretary to the Treasury, said in the Commons when moving the Bill's second reading.

The basic function of providing loans for house purchase from the savings of members would continue to form the core of building society business, he said. But the Bill would allow considerable diversification around that central theme. Societies would be able to provide a much greater range of services, but the emphasis would still be on their primary function.

The Bill was the most far-reaching legislation on building societies for more than 100 years. In today's fast-changing markets, societies needed to be able to offer a wider range of facilities to an increasingly sophisticated public if they were to continue to compete effectively.

The existing legislation contained restrictions which no longer made sense. For example, societies could not arrange insurance on a borrower's garage but could not obtain cover for his car. There were also some provisions which were entirely anachronistic. He thought it was safe to say a prohibition on balloting for mortgages to see which member would be lucky enough to get the next advance was no longer needed.

New opportunities would also be open to them in the housing market, to own estate agencies and to provide structural surveys. The existing prohibition on conveyancing would be lifted.

Societies would be able to engage in property management and to manage mortgages and would no longer be prohibited from operating elsewhere in the EEC. The Bill would establish a Building Societies Commission to exercise and extend the functions at present carried out by the Chief Registrar of Friendly Societies.

The Bill set out criteria for prudent management against which the performance of a society's board could be measured.

Accounting and control provisions had been updated and the Government would bring forward amendments covering further changes to a society's auditors would have to make a report to the commission on whether the society had complied with the statutory requirements for accounting and control systems.

Other measures to protect the interests of investors, and to ensure that societies competed fairly and openly in the market, included a proposal that directors would have to disclose any personal interest in the business of their societies, and there would be new restrictions on loans to directors and their families in line with

provisions already enacted for banks.

Mr Conagh McDonald, an Opposition spokesman on Treasury and economic affairs, moved an amendment to the Bill to give a second reading to a Bill which extended to building societies powers to engage in unsecured lending and commercial investment which might lead to their failure to maintain their commitment and responsibility for increased housing finance.

She said the Bill was being introduced in response to pressure from the building societies movement or at least some of its members and primarily from the largest building societies, in particular the Halifax and the Abbey National.

The Opposition felt the Bill contained proposals which in the long term could mean the building society movement as they knew it disappearing.

Mr Christopher Hawkins (High Peak, C) said certain provisions were misleading. He would have preferred the building societies to stick to mutual societies and friendly societies who helped people to buy their own homes. What better aim could they have?

He did not want to see them leading money to people for holidays abroad. He did not want to see them becoming banks and putting up charges in order to make profits for shareholders.

Mr John Gummer, Minister of State for Agriculture, Fisheries and Food, said in the Commons when moving the Bill's second reading.

During Commons questions, Mr Brynmor Jones, an Opposition spokesman on agriculture, asked why do some manufacturers complain that they cannot get enough milk to manufacture Cheddar cheese if we are running short of quotas?

Mr Gummer: There has been some complaint from some manufacturers. It is a matter for the Milk Marketing Board who decide where the milk should go. I am looking carefully at this.

Mr Simon Coombs (Swindon, C) In a recent market research survey 60 per cent of those responsible for food shopping indicated they considered the health aspects of food when deciding what to buy.

Mrs Fenner said there was a great deal of interest being taken by both manufacturers and consumers in the nutritional labelling of food. It was taken up by the ministry wanted it to be in a form which would help and not confuse consumers.

Coma (she added) recommended statutory labelling to which we responded and these proposals will come before the House. Coma did not recommend statutory nutritional labelling.

If we introduced what we might have some difficulty within the EEC because of distortion of trade.

It was a matter for protest that the amended regulations would not be operative until March, 1987. There was sometimes a tendency, particularly with ever-growing impoverishment, to buy the second-hand clothes. Why should such consumers not be given similar protection?

Lord Bradburn of Tara, for the Government, said the industry must be allowed time to adapt. It was not possible simply to condemn stock on shelves and not permit it to be sold, nor was it practicable to test every item of second-hand clothing by destroying it by fire.

Other safety regulations on cosmetic products, pushchairs and asbestos products were agreed to.

The social security review must be taken as a whole. It is fair to say that the social security review and how much will they lose?

Mrs Thatcher: This Government has protected those in need. It has increased, over and above prices, the retirement pension, supplementary benefits for the sick and disabled. They have all risen by considerably more than inflation.

The social security review must be taken as a whole. It is fair to say that the social security review and how much will they lose?

Mrs Thatcher: If we were to bring in the Labour Party's plans (loud Labour interruptions) we reckon that National Insurance contributions on average earnings would

All through the night

Another Sedgemore tirade against City

LLOYD'S

The Government was keeping a close watch on events at Lloyd's and would not hesitate to take action or legislate if necessary. Mrs Margaret Thatcher, the Prime Minister, said during Commons questions when asked for legislation by Dr David Owen, the Leader of the SDP.

Dr Owen said: In view of the widespread disquiet in the country and in the City about the situation affecting Lloyd's and in the light of what has happened to the chief executive, how does the Government justify not placing Lloyd's in the new market investment board which is being produced?

Will the Prime Minister not consider this issue again and need for a full-time chairman of considerable independence and stature in order to supervise this aspect of the City's behaviour which many people feel present legislation is inadequate to cover?

Mrs Thatcher replied that Lloyd's had its own regulatory system and its own Act of Parliament. It was passed by this House - the Lloyd's Act 1982.

It is too early (she said) to pass judgement on the effectiveness of the new regime. We believe that events at Lloyd's on which publicity had been given, originated before the Act was passed.

Calls for investigations into the activities of Sir Peter Green, former chairman of Lloyd's, and John Bickford Smith, a Senior Master at the Royal Courts of Justice, were earlier made in the Commons by Mr Brian Sedgemore (Hackney South and Shoreditch, Lab) during a debate on investigation into City fraud.

Wednesday's sitting lasted until 9.30am today when, after the Consolidated Fund Bill had gone through all stages, MPs spent the night discussing a variety of topics.

Mr Sedgemore resumed his attack on the City and Lloyd's in particular. How far did the power of Lloyd's stretch, he asked at one stage.

The Government spokesman, Mr Michael Howard, Under Secretary of State for Trade and Industry, said the Government did not consider the Financial Services Bill (being published later that day) was an appropriate vehicle for the kind of legislation that might be thought necessary to amend the Lloyd's Act as it was designed for an entirely different purpose - setting up a regulator system to deal with investment business.

Mr Sedgemore said that since starting his inquiries into the Johnson Matthey Bank, Mr Abdul Shamji, whose companies owed the bankers £21 million, had tried to "buy" him during a meeting with an informant at the Pavillion Bar in Grosvenor Street.

Mr Shamji had a perfectly proper relationship with the Chairman of the Conservative Party, Mr Norman Tebbit, but when a member of the Opposition tried to warn that Mr Shamji was a blatantly dishonest person Mr Tebbit had lost his temper. He illustrated the kind of problem behind the investigation.

What must be done (he said) is for the City to give a lead and purge itself and reestablish its reputation.

Mr Michael Howard, Under Secretary of State for Trade and Industry, said the Government had been taking serious steps to deal with the problems of the City. Not only did fraud cause losses to individuals and lead to the collapse of business, but it affected the reputation of the City of London, of Edinburgh and of other financial centres which was a precious national asset that must be maintained.

He had ceased all underwriting at Lloyd's when appointed to the Government and he required by the rules for ministers. He had resigned from all syndicates although he still remained a member of Lloyd's.

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Somehow (he said), there is too close a relationship between the Conservative Party and the kind of people who are involved in the kind of things that go on in the City.

There was an unhealthy relationship and ministers did not appear to realise the dangers inherent in that.

Lloyd's claimed there had been no fraud at Lloyd's since the 1982 Act was passed, but that was another Lloyd's mirage; it was simply not true.

Sir Peter Green, he said, had been to see the Governor of the Bank of England about his tax affairs and had apparently been told to see an accountant. Sir Peter was a multimillionaire and must have a gaggle of accountants at hand.

The Bank of England must be told that that kind of cover-up would not be tolerated. Sir Peter Green had serious problems and they should be made known. Lloyd's that matter was got to the bottom of, no one would take any notice of protestations by Lloyd's that they had cleaned themselves up.

Mr J Bickford Smith, he said, had taken over a case involving Lloyd's members, which had been set down for another Master, and it was then discovered that one of the defendants was his cousin, Mr Bickford Smith was also a freemason and other freemasons were involved in the case.

Mr Allan Rogers (Rhondda, Lab), opening the debate, said the scale and audacity of frauds in the City amounted to treachery because they were frauds against the ordinary, decent people of the country who created wealth and entrusted it to the financial institutions.

When questioned the previous day about the difference between fraud and market forces, Mr Nigel Lawson, the Chancellor of the Exchequer, had said that an MP who did not know that should not be in the House.

The answer the Chancellor gave (Mr Rogers said) shows he does not know the difference between fraud and free market forces. He does not know where one begins and the other finishes and he does not know the difference between fraud and insatiable greed as practised in the City of London.

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He had ceased all underwriting at Lloyd's when appointed to the Government and he required by the rules for ministers. He had resigned from all syndicates although he still remained a member of Lloyd's.

Good progress had been made towards the passage of the 1983 Lloyd's Act put the regulatory system into place, although whether it was sufficiently effective it was too early to say.

Mr Sedgemore said that since starting his inquiries into the Johnson Matthey Bank, Mr Abdul Shamji, whose companies owed the bankers £21 million, had tried to "buy" him during a meeting with an informant at the Pavillion Bar in Grosvenor Street.

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Some people are already celebrating a prosperous New Year.

We were going to use this space to urge SGB shareholders to accept our offer, but we've decided we'd rather wish our own shareholders and employees a Happy Christmas and...

Financial Times, 19th July 1985

BET BET BET BET BET BET BET BET BET BET BET BET BET BET BET BET

BET

KEEPS ITS PROMISES

***an even
more
prosperous
New Year***

PS to Sparrow shareholders: If you haven't yet sent in your acceptance to our Sparrow bid, don't forget to send us a message before you go off for Christmas. Offer closes 27 Dec. 1985

25 years ago, Merrill Lynch began serving London.

Today we serve the wide world.

December marks the completion of 25 years of Merrill Lynch's presence in London.

It's a presence that reaches far beyond Britain. Our clients require access to all the world's major financial and investment markets, and we have built up a major world-wide organisation to serve those needs.

In Europe and the Middle East alone, we have 26 private client offices and five institutional offices. We provide private banking facilities in London and Geneva.

We are active in all major trading markets: in debt securities, money market

instruments, foreign exchange and international equities. Our European-based investment banking teams specialise in cross-border transactions. And our research is global in scope.

Merrill Lynch has made a major commitment to serving clients throughout Europe, the Middle East and the rest of the world. Our organisation provides a unique range of services to meet your needs in an increasingly complex world financial market.

A global market we know as well as our own neighbourhood.



Merrill Lynch

THE TIMES

FINANCE AND INDUSTRY

Executive Editor Kenneth Fleet

Financial Services Bill puts pressure on auditors

One of the key themes of the Financial Services Bill, published yesterday, is disclosure. The elaborate self-regulatory system which is proposed will come to naught if the raw information about malpractice is not capable of being uncovered on a regular and systematic basis.

That crucial assumption threatens to put the accountancy profession into the front line and will add to pressure which they are already undergoing in the banking arena in the wake of the Johnson Matthey Bankers affair.

So the Department of Trade and Industry has published a Green Paper setting out the future role of auditors in the brave new world it is ushering in. But if precedent is anything to go by, the omens are not hopeful that the accountants will suddenly leap to their feet to blow the whistle on their clients unless the law virtually forces them.

The Green Paper sets out the Government's view that confidentiality does not prevent disclosure to an appropriate authority where the public interest is involved. This would include cases of suspected fraud and "any breach of a statutory duty liable to cause significant harm to a third party".

Closer definition is to be left to the profession, in the spirit of self-regulation, but the Government does expect it to take a "positive view". The problem here is that accountants have been known to pass the buck, and they may do so once again. Already there is a movement building up for auditors to be given limited liability to cover cases of undetected fraud; a proposal which could well blunt an auditor's keen sense of purpose in this area.

Bank gloomy over pay -

The Bank of England is beginning to despair over pay. The December quarterly bulletin, published yesterday, contains the blunt warning that, barring an unexpected and big change in attitudes, excessive pay growth will prevent Britain from taking advantage of an improving world economic environment.

We have heard something of this from the Bank before. In fact, roughly once every three months. However, previous warnings have been accompanied by the hope that good sense will prevail, and the level of pay settlements tumble. This time, even with a forecast that the rate of inflation will halve to 3.5 per cent by the middle of next year, the Bank cannot offer any hope that the growth in earnings will slow in response.

In other countries, the Bank notes ruefully, prices and wages tend to follow one another quite closely. "UK wage behaviour is out of line with other countries," the Bank says, citing three years of average earnings growth of 7 per cent to 8 per cent a year, despite high and rising unemployment. The blame attaches to both sides of industry. The Bank chides the blimpish directors of British companies, 75 per cent of whom, in a recent

The profession has been given a second concession in the Green Paper. Auditors will attract qualified privilege against defamation in respect of their communications with authorities. Without this promise they could hardly be expected to fulfil their new role of part-time whistle blower.

Auditors have already accepted that they will have a role in reporting fraud and that the duty of confidentiality to clients can take second place to the fight against fraud.

Where the Institute of Chartered Accountants in England & Wales has been caught short is on the suggestion that in the field of financial services auditors co-operate closely with supervisors, that is with the Securities and Investment Board and others involved in regulation. The Scottish branch of the profession has pressed for auditors to be allowed to report evidence or suspicions of fraud to non-executive directors, and that all companies in the financial services sector should appoint at least two non-executives to the board. The Government does not go along with this.

It plans to put a new obligation on auditors in the form of a requirement not only to inform supervisors of anything they might need to know, such as an intention to qualify accounts, but also "a more general duty to co-operate with the supervisors". The Green Paper says there will be a provision to facilitate a two-way exchange of information.

As expressed in the consultative paper, this is too vague. It seems to give supervisors extraordinary powers and auditors wide and undefined responsibilities. Auditors are unlikely to accept this new obligation meekly.

survey, said that the pay settlements they had conceded were not too high.

The behaviour of companies has hardened attitudes in both the Bank and the Treasury. The bulletin says: "The relief offered to companies' financial positions has been pre-empted by domestic wage and cost increases." This includes such direct help as the abolition of the national insurance surcharge.

The Bank stresses the pressure put on monetary policy by continued strong growth in wages at a time of high unemployment. It is made clear, as the Chancellor has said, that the response to that potential dilemma of policy will be to keep interest rates and the exchange rate high.

The Organization for Economic Co-operation and Development, in the part of the *Economic Outlook* devoted to Britain, is no more optimistic. Its forecast is for an acceleration in real labour costs, putting a squeeze on profits next year. The response of companies, it predicts, will be to seek cost savings, notably on recruitment. Growth in employment in Britain, the OECD predicts, will therefore moderate, leaving the unemployment rate, on its definition, at 11.5 per cent, hardly better than the current 11.7 per cent rate.

Westland shareholders suffer £98.7m loss for year

By Judith Huntley

Westland's shareholders, many of them small investors, learnt yesterday that they have suffered attributable losses of £98.7 million in the year to September 1985.

The chairman, Sir John Cuckney, said the company would have "been seriously near receivership" but for the £72.2 million rescue package put together by the Westland board involving Sikorsky, the American company, and Fiat, the Italian manufacturer.

The proposed reconstruction of the company involves Sikorsky and Fiat injecting £30 million into Westland in return for a 29.9 per cent stake. The further £19.1 million could be put in which would bring their shareholding to a maximum 35 per cent fully diluted. British shareholders would retain control with 50.1 per cent.

Westland's bankers, Barclays and National Westminster, have stepped in by agreeing to convert £28 million of debt into equity in preference shares for which they would own 14.9 per cent of the company. Shareholders are being asked to provide £14.2 million through a two-for-five rights issue at 60p a share. The issue was underwritten within hours by Lazards, Westland's merchant bank.

Shareholders have yet to approve the board's recommendation and will be asked to do so on January 14. Westland's board has rejected an offer from the European consortium of helicopter manufacturers supported by Mr Michael Heseltine, the Secretary of State for Defence.

The board argues that the Sikorsky/Fiat deal offers the best solution.

Sir John says that if a better offer is received it will be circulated to shareholders before January 14. But he said earlier approaches to the Europeans, who were well aware of Westland's problems, had been met by "a superb basket of raspberries along the route".

The company is now pinning its hopes on the Black Hawk military helicopter which will replace the Sea Kings.

If the rescue operation is approved by shareholders, it will reduce Westland's gearing to 25 per cent. The arrangement with Sikorsky and Fiat would not involve a bid and the Takeover Panel has confirmed that the companies would be under no obligation to make a bid for Westland, although they would be free to increase their shareholding by up to 2 per cent.

Westland's accountant, Ernst

& Winney, has qualified the accounts revealing pre-tax losses of £95.3 million and, the exceptional provision of £106.6 million, on the basis that the company is a going concern, dependent on the capital reconstruction to be approved by shareholders.

National Westminster Bank yesterday admitted that it was only reluctantly participating in the Westland deal, which would give it an equity stake in the company. "We do not usually take investments in our corporate clients because we do not like to," said Mr Alan Jones, an assistant general manager.

"We do not willingly switch customers' debt into equity but this is an important rescue."

NatWest is prepared to contribute £17 million in shares and banking facilities to the rescue.

Jobless fall in OECD 'unlikely'

By David Smith
Economics Correspondent

The world economy is in the longest period of disinflation since the Second World War, the Organization for Economic Co-operation and Development says in its twice-yearly *Economic Outlook* yesterday.

However, despite this and a decline in the risks attached to the prospects for continued world economic recovery, no decline in unemployment is projected.

Growth in OECD countries is forecast to average 2.5 per cent a year to mid-1987, with inflation steady at 4.5 per cent. Employment is projected to grow by 1 per cent over the next 18 months, but a rise in the labour force will leave the OECD unemployment rate unchanged at the present 8.25 per cent.

Current account imbalances are projected to reach a peak next year, with a \$146 billion (£102 billion) current account deficit for the United States, and surpluses of \$57 billion for Japan and \$20 billion for West Germany.

The drop in inflation during the present cycle has broken the pattern since the early 1960s, when each successive economic cycle has been characterized by a higher average inflation rate. As a result, says the OECD, there is room for countries to do more to secure growth in employment.

WORLD ECONOMIC OUTLOOK

	1986	1987
Growth (%)		
United States	2.75	2.5
Japan	3.5	3.25
Total OECD	2.75	2.5
Inflation		
United States	3.25	3.5
Japan	1.5	1.5
Total OECD	4.5	4.5
Current Balance		
United States	-\$146bn	-\$147bn
Japan	+\$57bn	+\$57bn
Germany	+\$20bn	+\$18bn

Source: OECD Economic Outlook

Annual %

Annual %

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Leon Brittan unveiling the Financial Services Bill

Regulatory boards to be merged

By Lawrence Lever

A tough new regulatory regime to protect the customers of investment businesses is outlined in an explanatory document jointly issued yesterday by the Securities and Investments Board and the Marketing of Investments Board Organising Committee.

At the same time the SIB and MIBOC announced they would be restructuring into a single board, with the aim of exercising the regulatory powers of the Designated Agency envisaged in the Financial Services Bill.

Introducing the document, Sir Kenneth Berrill, Chairman of the SIB, said that the new board would not accept any second rate self-regulatory bodies.

"We are seeking to ensure that the fraudulent, dishonest and the insolvent are excluded from the UK's financial markets," he said.

Sir Kenneth said that the size of the board, which will be financed by those subject to its regulation, would depend on the extent to which the systems it implements are utilized. It is, however, expected that not all members of MIBOC will be invited to join the board.

The document shows that the board is anxious to reduce the number of self-regulatory organizations to five.

Bank seeks new target on money

By Our Economics Correspondent

The Bank of England is likely to persuade Mr Nigel Lawson, the Chancellor, to adopt a new measure of broad money - PSL2, plus building society terms shares - in his Budget in March.

PSL (private sector liquidity) 2 was dropped by Mr Lawson as a monetary target in his Budget last year. In its December quarterly bulletin published yesterday, the Bank of England records that PSL2 plus building society term deposits "gives a better impression of recent broad monetary growth" than sterling M3.

It has grown at a less volatile rate than sterling M3 in recent years, and the decline in its velocity of circulation has been steady.

Unlike sterling M3, the Bank says, this wider aggregate has shown no significant acceleration, and its 12.6 per cent 12-month growth rate last month was no higher than in November last year.

Final money supply figures for banking November showed that sterling M3 rose by 2 per cent and bank lending by £1.89 billion. The main uncertainty of the provisional figures, the "interbank difference" of £960 million, remains in the final figures.

Compared with a year earlier, sterling M3 was up by 14.4 per cent last month. Annualized growth in the latest three months was 20.2 per cent. Narrow money, M1, grew by 0.6 per cent last month, and was 3.4 per cent up on a year earlier.

The Chancellor suspended sterling M3 as a monetary target in his Mansion House speech in October, saying that he would be considering what target to set for the aggregate for 1986/87 at the time of the next Budget.

He added, however, that the Treasury would also be keeping watch on other measures of broad money. Since the speech, the possibility has emerged of an alternative measure, such as PSL2, plus building society term deposits, being substituted for sterling M3.

Mercury 'will undercut BT by 15%'

By Jeremy Warner, Business Correspondent

Telephone charges which undercut British Telecom tariffs by 15 to 20 per cent on national trunk calls, promised yesterday by Mercury Communications, the Cable and Wireless subsidiary licensed to compete with BT.

Mercury's 30 sales force has begun to circulate details of proposed tariffs offering much larger than expected discounts on BT prices.

Mercury plans to start its service early next summer with a figure of eight fibre optic network connecting Birmingham with London and Bristol in the South and Leeds and Manchester in the North.

Mr Gordon Owen, Mercury's managing director, said the proposed tariff structure was different from BT's although BT rates on certain calls had been taken into account to demonstrate Mercury's price advantage.

He added: "We for instance, propose to better British Telecom's cheap BT rate between London and certain cities by extending the concession to cover calls from those cities back to London and between each other."

International call charges will be set in the new year after Professor Bryan Carlsberg, director-general of telecommunications has settled the dispute between Mercury and BT over negotiating reciprocal call rates with overseas telephone companies.

Mercury is expected to be able to offer similar discounts on international calls as on long-distance national calls.

DIY groups gear up for shopping revolution

By Derek Harris, Industrial Editor

Marley's move this week in putting up for sale its Payless DIY subsidiary, the third largest chain in the field, comes as this still-growing market prepares for its biggest boost for years: the easing of Sunday trading laws.

New shop hours legislation is likely to be in place by June and it is the new generation of big edge-of-town DIY stores - often with garden centres attached - which is expected to benefit most from the changes.

Although Payless' profits have been rising steadily, Marley wants to sell because its strategy is to move out of retailing and concentrate on its manufacture and marketing of building products like its roof and floor tiles.

Payless, after an aggressive store opening programme, now has 65 outlets, 54 of them at the edge of towns.

Marley says it already has had a number of inquiries about the Payless chain. There is speculation that the price could be

between £100 million and £130 million, although analysts point out that there have been a number of sale and leaseback deals on Payless properties.

With saturation point in edge-of-town stores expected in the trade to be reached by about 1990, many competitors are bound to look hard at the Payless proposition.

Most speculation has centred on Home Churn Group, which trades under the Texas banner and which is the second-largest DIY operator after B&Q, the Woolworth subsidiary. Mr Manny Fogel, Home Churn's chairman, dismisses as rumour that he has already made an offer.

If B&Q took over Payless, Woolworth could face monopoly problems. Some trade surveys suggest B&Q has 17 per cent of the DIY market and Woolworth itself at least another 8 per cent.

Home Churn is credited with a near 12 per cent and Payless 5.5 per cent, with several others running close.

IN BRIEF

Unit-trust record

Net sales of unit trusts last month were a record £361 million, an increase of 17.5 per cent on October net sales.

At the same time, the total value of funds under management at the end of November amounted to £19,858 million, another record and an increase of 36.9 per cent on the value of funds under management at the end of November 1984. Gross sales were also a record £541.8 million.

Mr Tony Smith, secretary of the Unit Trust Association, said yesterday that sales volumes reflected the increasing business generated by large insurance companies.

The increased value of funds under management was caused by the general rising trends in large stock markets, he said.

The November statistics include contributions from new unit trusts launched during the month.

NCB offer

The National Coal Board Pension Fund has declared its £164.5 million offer for Drayton Premier Investment Trust, a conditional offer for further share purchases in the market took its holding to 50.1 per cent. Yesterday's purchases were at the 521p offer price.

Sweet sell off

Ward White, the expanding retailing group, is to receive £7.5 million from the sale of the cost-making sweet manufacturing side of Maynards owner of the Zodiac toy shop chain, which it acquired last month for £19 million. Trebor is the buyer.

Mr Ian Irvine, the former managing director of Fleet Holdings, is to be chief executive of Octopus Publishing, at a salary of more than £100,000.

BAe agreement

British Aerospace and Hellenic Aerospace Industry have signed an agreement under which Hellenic will produce flap assemblies for BAe's ATP airliner. The deal could ultimately be worth 2.5 billion drachmas (£1.8 million).

Aspinal advance

Aspinal is paying a total dividend of 6p, against 3p, for the year to September 30, after pre-tax profits rose from £11.1 million to £15.6 million.

Temps, page 18

Marston increase

Marston Thompson & Evershed is to pay an interim dividend of 0.7p (0.62p) after profits rose from £4.5 million to £5.1 million for the six months to September 30.

Temps, page 18

Clydesdale Bank is to withdraw from the Federation of Scottish Bank Employers' Association, and negotiate pay and conditions of most bank staff in Scotland.

Grand Met up

Grand Metropolitan is to pay a final dividend of 6p, making a total of 10p for the year to September 30 - up 6.7 per cent. Pre-tax profits rose from £334 million to £347 million.

Temps, page 11

Channel backing

Channel Expressway said that a further six banks had agreed to provide financial backing for its £2.5 billion road and rail fixed Channel link proposal.

Tesco director

Tesco, the supermarket chain, has appointed Miss Ditta O'Callaghan, a non-executive director. Miss O'Callaghan is managing director of milk marketing at the Milk Marketing Board and a non-executive director of Midland Bank. Tesco's previous woman director, Miss Daisy Hyams, retired in 1982.

SIA shares drop after take-off

From Paul Routledge
Singapore

Shares of the newly privatized Singapore Airlines have made an unhappy debut on the republic's stock exchange.

After two days of trading, the "glamour counter" closed at S\$4.44 (£1.47) a fall of 26 cents on the day and substantially below the \$5 issue price. Selling by SIA stockholding employees was chiefly blamed.

The share's poor performance accelerated a decline in the market, which ended the day nearly 19 point down at 604.13 on the *Strait Times* industrial index.

This is more than 5 points below the three-year low recorded when the exchange resumed trading on December 3 after an unprecedented three-day shutdown connected with the receivership of Pan Electric.

The market gains of the past week, however, more than wiped out, and brokers operating under tough new regulations fear that it has not yet reached bottom.

Dealers blame lack of buying from overseas and institutional investors for the failure of SIA shares to command and hold their \$5 issue price.

The performance of Singapore Airlines shares contrasts with the almost simultaneous issue of shares in the Malaysian Airline on the Kuala Lumpur exchange. MAS shares were issued at Malaysian \$1.80 (52p) have consistently traded at more than \$2.

The SIA and MAS share issues are the biggest ever public issues on the two exchanges.

Some fund managers believe the timing of the Singapore Airline issue was wrong because the market is depressed and the issue price was too high.

Frank Usher sold by Selincourt for £3.2m

By Our City Staff

Mrs Jennifer d'Abo, whose company took over the fashionable group Selincourt last summer after a bitter battle, is selling Frank Usher, the cocktail and evening dress subsidiary, for £3.25 million.

The sale is partly because Frank Usher competes directly with another subsidiary, Parig, and partly to raise money. Selincourt, Mrs d'Abo's vehicle for buying Selincourt, is also raising £4.7 million net by a one-for-three rights issue.

Mrs d'Abo said: "We knew when we bought the company it needed money. We had to reduce the gearing. The company is now properly financed."

Write-downs of obsolete and

slow-moving stock have cost an exceptional £1.4 million and closure and reorganization costs at three divisions a further extraordinary £1.5 million.

The bottom line loss at Selincourt in the eight months to September 30 is £4.1 million against a six-month profit of £4.4 million to July 31, 1984.

Having thrown all the "horror" into the eight-month statement, Mrs d'Abo forecasts combined pre-tax profits for Selincourt and Selincourt of £700,000 in the 15 months to March 31.

Frank Usher has been sold back to its founders, Mr Max Bruh and his wife Anne, who sold it to Selincourt in 1962.

Tilbury offshoot sold for £15m

The building group, Tilbury, is selling its East Anglian based gravel pit and road surfacing business for £15 million to Redland, its rival.

Tilbury plans to use the cash to wipe out its borrowings and make acquisitions, possibly to expand its housebuilding side.

The price is reflecting for its roadside business, which contributed to a third of profits last year, compares with a total value of £18 million for the whole of the group when the shares were suspended before the announcement.

Redland's finance director, Mr Robert Napier, said that it had considered launching a bid for the whole group and then spinning off the unwanted parts. He said: "It was an option we looked at, but we wanted just that side of the business. We expect to make more money out of it than they have been making."

It made profits of £866,000 last year.

MARKET SUMMARY

STOCK MARKETS	MAIN PRICE CHANGES	CURRENCIES
FT Ind Ord1114.9 (+10.3)	RISES:	London:
FT All Share872.66 (+5.01)	Lyle Shipping9p +0.50p	E: \$1.4222 (+0.0015)
FT Govt Securities82.70 (-0.21)	A & G Security36p +2p	E: DM 3.5800 (+0.0050)
FT-SE 1001390.7 (+11.9)	Protimeter36p +2p	E: Sfr 3.0087 (+0.0009)
Bargains20.213	Carolo Eng271p +15p	E: FFf 10.8838 (+0.0370)
Dataseam USM104.71 (+0.18)	Wade Pottery130p +7p	E: Yen 288.57 (+0.32)
New York1542.77 (+0.34)	Edmond Holdings10p +0.50p	E: Index: 77.9 (-1.1)
Dow Jones1542.77 (+0.34)	Tricontrol140p +7p	New York (La test)
Tokyo1542.77 (+0.34)	Equity & Law Life243p +12p	E: \$1.4215
Nikkei Dow13115.03 (+12.89)	Bulgin (A.F.) "A"10.50p +0.50p	E: DM 2.5170
Hong Kong1726.05 (-0.89)	Debrun Investments42p +2p	E: Index: 127.3 (-0.3)
Hang Seng247.1 (+4.5)	Blanchards106p +5p	ECU 50.611612
Burgains: AO986.9 (+0.8)	Goldsmiths Group177p +5p	SDR 50.782708
Gydney: AO986.9 (+0.8)	Unigroup440p +20p	
Frankfurt1835.9 (-10.7)	Pineapple Dance440p +20p	
Commerzbank1835.9 (-10.7)	Turner & Newall87p +3p	
Brussels:	Parkdale Hldgs45p +2p	
General878.36 (+25.43)	Tranwood Group11.50p +8p	
Paris: CAC251.0 (-0.1)	Ferranti144p +8p	
Zurich:	Kalamazoo24p +1p	
BSKA General487.20 (+0.40)	Unilever139p +6p	
	Concentric73p +3p	
	Dupont61p +2.50p	
GOLD	FALLS:	
London fixing:	Freoborg Connect175p -10p	US:
Am \$323.40pm - \$325.80	Storgard18.50p -11p	Prime Rate 9.50%
Close \$325.50 - \$326.00 (€229.00-)	Spyhawk15p -15p	Federal Funds 8%
	Compost Hldgs38p -2p	3-month Treasury Bils 7.12 - 7.10%
New York:	Hawtin15.75p -0.75p	30-year bond price
Comex \$325.85		104 1/2 - 104 3/4%

FOREIGN EXCHANGE

[illegible]

THE ARTS

Cinema

The sins Spielberg must answer for

Silverado (PG)
Leicester Square Theatre
(from January 3)

King Solomon's Mines (PG)
Classic Haymarket:
Prince Charles

The Black Pirate (U)
ICA

Steven Spielberg has a lot to answer for, as a major shaper of late twentieth-century culture. To his credit he has, as producer, given the international folklore some fables - *E.T.* and *Back to the Future* - whose immense global success attests their potency. More questionably he has revealed the limitless riches to be earned by identifying and addressing a certain lowest common denominator of the audience - a public judged to be of lower teenage, of restricted intellectual and educational development, with powers of concentration more or less sufficient to see them through a three-picture strip-cartoon. Hollywood's most characteristic merchandise today is films of unrelenting activity, dazzling with costly studio sets and special effects, assaulting with incident, and allowing no momentary vacuum to attract thought or reflection.

A Spielberg protégé, Lawrence Kasdan's commitment to the form proves a fatal handicap when he tries to vary and adapt it in *Silverado*. Kasdan was writer of *Raiders of the Lost Ark*, *The Empire Strikes Back* and *Return of the Jedi*, prototypes of the frenetic style. In *Silverado* he and his co-writer brother Mark sincerely want to do a traditional Western. It goes to the heart of the American spirit. It's a time when the country was untamed, full of potential, and it's something that Americans have held on to, to these images. Themes of the Western don't change... Styles do, it seems. *Silverado's* pace is a lot

faster than most of the Westerns we grew up on. In a way it's like what we did when George Lucas and Steven Spielberg made *Raiders of the Lost Ark*. Things keep coming at you. The adventures come fast and furious.

Symptomatic of schizophrenia, *Silverado* thus turns out a hybrid. In principle the Kasdons pay homage to the tradition of the West as an arena for elemental drama of good against bad. They assemble a group of drifters trying to find a place in the new world of the 1800s (one is black: this is 1985) who chance into town and find themselves pitted against the corrupt sheriff and the evil clan that run the town. The film is about traditional themes of comradeship and loyalty, and touches also on kinship and family ("I think that's the result of writing it with my brother Mark").

Yet it never really comes to grips with its essential conflicts, themes, characters, the relation of the people to their physical world - for all the loving care with which that world is recreated (in Arizona and New Mexico). Everything moves too fast for thought or reflection. Almost before you can register any one of them, character succeeds character and we are already into the next wild fragment of action.

Where characters do impress themselves it is due more to the personalities of the players than development in the script. Scott Glenn and Kevin Kline are strongly defined: a newcomer, Kevin Costner, playing Glenn's brother, revives the old-style, all-American, get-up-and-go energy and cheek of Douglas Fairbanks. Harold Lloyd or Mickey Mouse. Linda Hunt plays a diminutive saloon-keeper with a highly developed sense of personal dignity and loyalty. (Hunt expressively says of her long road to late success: "I took the crumbs, and found deep nourishment in them.") Jeff Goldblum, however, as a gambler, remains quite enigmatic. The film is made up of debits and credits, but mostly enjoyable.

King Solomon's Mines is imitation Spielberg frenetic at its most wretched, assuming in the viewer hardly enough concentration to carry him from one picture in a strip-



Kevin Costner (without hat): old-style all-American energy in *Silverado*

cartoon to the next. The mystery about the enterprise is the title: apart from a mine and a character called Allan Quartermain, it has nothing at all to do with Rider Haggard. The action seems to take place in the First World War, though costumes and artefacts are without any clear period identity. Quartermain is an American adventurer hired by an obstreperous young woman to rescue her father from the fiendish Hun, who wants the secret of the mine from him. There are also Turks, cannibals, lions, snakes and mechanical grottoes borrowed directly from *Indiana Jones*.

Mostly the dialogue consists of "Aah-ooooo!" "You must be kidding" and "We meet at last"; and, though Rider Haggard wrote a lot about Egypt, I do not recall his characters addressing the natives as "camel jockey" and "towel-headed creep". There cannot though have been much in the script except for stage directions about running about, firing guns and falling on and off or crashing trains, cars and aeroplanes.

It is not likely to do much for the literary understanding of the young. As to other sensibilities, it might

convince them that guns, bombs, torture, war, greed and violent death are the stuff of comedy. In fact the infant audience with which the distributors had packed the press show evinced little appreciation, but were rather restive. Perhaps they were disappointed with the special effects: not even the most unsophisticated audience is likely to be convinced by the crude back-projection of the "aerial" sequences. The film was directed by the veteran Englishman J. Lee Thompson, who at 71 ought to know better.

Parents with some respect for their children's intelligence would be wiser to take them to the ICA to see how well they told stories sixty years ago, when Douglas Fairbanks made *The Black Pirate* and films beguiled audiences rather than assaulting them like scatter-guns. *The Black Pirate* was one of the earliest films shot in the attractive two-colour Technicolor process, and has been carefully restored by the National Film Archive.

The galleons designed by the Swedish artist Karl Oscar Borg evoke a whole lost world of adventure; and Fairbanks's mixture of athleticism,

check, comedy and grace is at its most appealing in the role of avenging hero. The film is shorter and faster than Fairbanks's other costume spectacles, but contains two of his most memorable stunts. His slide down a great mainsail, apparently supported only by the point of a dagger as it shears the sheet, has since been several times imitated; his rescue from the hold of a ship by men who pass him up the battens so that he seems to fly upwards like a bullet in a gun-barrel is more like an invention of Busby Berkeley.

On Christmas Day Fairbanks's *The Thief of Baghdad*, with Carl Davis's musical score, can be seen on Channel 4. Dating from 1924, this is still one of the most visually beautiful films ever made. William Cameron Menzies's design, as photographed by Arthur Edson, is like Dulac given movement in three dimensions; and the magic - the Cave of the Magic Carpet, or the battle between the diminutive figure of Fairbanks's Thief and the giant Dragon - in every respect outclasses the electronic special effects of Spielberg and 1985.

David Robinson

Theatre

Reservation view of the Indians' ordeal

Melons
The Pit

Beyond the fact that it is set in a New Mexico melon patch and opens with the ceremony of laying down a circle of fruit, I was puzzled by the title of Bernard Pomerance's play until I saw its programme definition as "a traditional conclusion to certain Apache stories, designed to appease or deceive spirits described in the stories who might possibly be offended".

Melons is a fable of the rape of Indian America, written by a white playwright who has done everything he can to get inside the mind of the Red Man. It has something in common with Brian Friel's *Translations*, as another study of internal colonialism, exhibiting a superior culture being vanquished by superior force, and the contradictory ways in which the two sides view the same cycle of events.

Friel, however, chose the language of the invaders as the best means of evoking what they destroyed. Mr Pomerance chooses the harder and more hazardous method of writing as if for an Indian reservation audience. Except in a couple of superbly written scenes for Whites alone, the prevailing idiom is that of the Indians, measured cadences, and again, you have to consult the

programme to discover that words like "savage" or "anthropologist" (one who knows too much about the Indians) are being used in a special sense.

In summarizing the plot, it is tempting to say that it focuses on a 1906 reunion between two former combatants of the Apache wars - an aged Apache leader and a former cavalry major. That, however, is to look at the play as a white observer expecting to get his beginning, middle and end. As the circle of melons implies, that is not Mr Pomerance's style of operation.

What he is offering is a collection of stories, in which past coexists with present, and experiences in the spirit land have as much reality as those on earth.

The basic situation is clear enough. Caracol (the Apache) has escaped from Arizona to a reservation in New Mexico, where he enjoys the status (to fall into white terminology) of a messiah. Stolsky (the former cavalry major) now works for an oil company and requires Caracol's cooperation in allowing the firm's geologists to survey the territory.

Instead of proceeding in a straight line towards an inescapably tragic outcome, the action undergoes labyrinthine contortions, as Caracol embarks on prolonged speeches evoking the massacre of his family and his reunion with them beyond the grave; and events loop into flashbacks and double-flash-



Ben Kingsley's amazing act of transformation

backs, all prefiguring the present encounter, but breaking the chronological thread and your recollection of why and for whom the re-enactments began in the first place.

The scene where Stolsky meets his brother, now a local marshal (John Cater), and reduces this fire-breathing white-supremacist to tears of humiliation, rage for having offended the tribe, is a wonderful piece of writing, but it seems like an extract from another and, perhaps Mr Pomerance would say, a much simpler kind of play.

The heart of the piece lies in the varying and defeated attempts of the surrounding characters to make contact with the implacable Apache. Stolsky, in spite of his condescension, makes some headway as a respected adversary who knows the tribe of old. So too

does Montezuma (Anton Lesser), an Indian civil rights activist, who tries to capitalize on the messianic prophecy by persuading Caracol to re-negotiate a crooked land lease and channel the profit into Indian schools and hospitals.

Both of them hit a rock. To Caracol, white language, white law are intrinsically meaningless even when used for his people's advantage. And he solves the dilemma in his own way by hanging the geologists from a tree, donning a mask, and decapitating them.

Ben Kingsley's performance as Caracol is an amazing act of transformation. Hardly made up, apart from a snow-white wig, he presents a figure at once as lean and immovable as a rock; slowing down the surrounding dialogue to his own resonantly impassive delivery, and radiating ceremonial dignity even when accepting a cigarette.

He is partnered by David Burke as a burly Hemingwayesque old timer, who shows his real force in the act of subduing his red-neck sibling. The production, despite its narrative entanglements, is a notable RSC debut for Alison Sutcliffe.

Irving Wardle

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Stinkfoot

Old Profanity
Showboat, Bristol

Nobody would expect a musical for Christmas by Vivian Stanhall to be anything but bizarre and original. Ringmaster of the Bonzo Dog Band and creator of *Rawlinson End*, that saga of aristocratic lunacy where the family motto is "cannes blotto" and dinner is followed by billiards on horseback or catching the javelin, Stanhall has now written and directed an extraordinary comic opera for his floating theatre in the Bristol Docks.

On board this former coaster, *Stinkfoot* is a suitably aquatic show. It is a watery tale set alternately at the end of a seaside pier and under the ocean, peopled by an *Anglo-ridden* music hall artiste, his Faustian apprentice, a tomat under the influence of James Cagney (*Stinkfoot* himself), a Mae Westian glamour-puss (Persian Moll) and an oracular ventriloquist's dummy, Screw.

Richard Gilbert

Opera

Così fan tutte
Dominion

There currently seems to be a voluble lobby which maintains that what the opera public wants is straightforward stagings, shorn of all "producer's quirks". If that is the case there ought to be queues down Tottenham Court Road tomorrow night for the second London performance of Welsh National Opera's *Così fan tutte*.

For Liviu Ciulei's production is pretty to the eye, completely worked and almost completely lacking in pretension. The only mild eccentricities were the two cardboard clippers which raced across a cardboard horizon in Act I as though competing for something at Cowes. And cut-outs are not exactly unknown on the opera stage.

But, as Paul Griffiths observed in his review (November 11) of the Cardiff performance, there is rather a dichotomy between this politic staging and György Fischer's music direction, a contrast which one suspects has been heightened by the Dominion's boxy acoustics and its lack of a proper pit. Fischer drives the accompaniment very hard, bringing plenty of interesting instrumental detail into unaccustomed prominence and in general obtaining a grainy vitality from the orchestra, but in the process he builds a formidable barrage of sound.

It was not simply that the orchestra was too loud for the mainly young cast. Fischer also seemed to be phrasing orchestral, not in sympathy with his singers' breathing. To this can be attributed the numerous small but distracting lapses in rapport between pit and stage. Judged in this context the performances on stage were satisfactory, though no one consistently produced sustained tonal beauty. Elaine Woods as Fiordiligi came nearest her top notes have a fresh, direct appeal, but the low register is weak and her one attempted glissando from top to bottom

was far too ambitious. Laurence Dale's Ferrando rose to a presentable "Un' aura amorosa" but ran out of steam above the stage soon afterwards.

There was an impressively acted Cugliesini from Mark Holland, including several quite spectacular falls to the ground, but his lyrical baritone as yet lacks the punch to match such macho antics. A similar problem marked Andrea Bolton's unusually earthy Despina: the voice so far cannot supply the cutting edge the soubrette often needs. But two more experienced performers, Thomas Hemsley and Delia Wallis, turned in dependable characterizations of Don Alfonso and Donabella.

Richard Morrison

Television
Delightful fable

The odds against the occurrence of a modern Christmas fable which is both charming and anti-sentimental are overwhelming. Christmas Present (Channel 4), a film by Tony Bicat, beat them triumphantly.

It was a scenario with more ingredients than a plum pudding. The central story concerned an obnoxious, overprivileged City whizz-kid bound by a potty tradition of his bank to award a turkey and some money to a selected specimen of the deserving poor - failure to comply would end his career. It was a delightful performance by Peter Chelson, who appeared reptilian but capable of redemption as he lost the address of the appointed pauper and began a desperate struggle to meet his deadline.

The film was spiced with Dickensian allusions, and enlivened by fantasy sequences as the characters dreamed their private visions of happiness. The figures of Mary and Joseph, in biblical dress, also wandered through the London landscape but were less effective in probing the spirit of the season.

A great deal of misery and deprivation was woven into the narrative. The young banker's quest led him to a concrete slum inhabited by a paranoid recluse, a glue-sniffing child and an abandoned mother-to-be.

The wretchedness of these characters, and of the Pakistani family, who finally refused delivery of the banker's bounty because they mistakenly assumed he had come to disconnect the gas, was portrayed powerfully but without condescension. Each conveyed a full measure of humanity and displayed dignity in suffering.

Similarly all the familiar but unpalatable phenomena of Christmas had a place in the story - the garishness of Oxford Street, the gross materialism of children, the relentless assaults of charity workers on any passing conscience. The conclusion was optimistic without being saccharine and, given that Christmas programmes like the glass baubles tend to be brought out every year, it will be a pleasure to see this one again.

Celia Brayfield

Concert

Baroque fireworks

English Concert/
Pinnock
Queen Elizabeth Hall/
Radio 3

The English Concert's players have come a long way. As with all who bravely took to the notion of playing baroque instruments in the appropriate style in the 1970s they were once regarded by doubters as amiable cranks. Now they find themselves performing in a Royal Philharmonic Society concert, with Beethoven's bust casting an approving eye upon them in recognition of their achievements.

Such recognition is only just, for Trevor Pinnock's concerts and records with this band could be relied upon for delivering a good measure of excitement, and never for the wrong reasons. Yet for most of this concert I was left wondering if the group has perhaps become a little complacent. Nothing horrendous happened, but in that very fact lay the problem. Too often it seemed that the whole exercise was one of regurgitating what had already occurred in the sterility of a recording studio. Put simply, the playing was too good, the music - or most of it - no longer challenging enough.

One exception, though, was strangely enough the best known work in the whole programme, Handel's *Musica for the Royal Fireworks*, which Pinnock directed without his usual harpsichord and without score or baton either, for that matter. If in the overture the timpanist seemed to want to make his instruments sound like firecrackers, that was fair

enough, especially when he was complemented by such splendid noises as those made here by the trumpets, horns and half-dozen oboes. And in the Bourée we were treated to something of Pinnock's usual youthful vitality, the music touched by imagination as well as rhythmic bite. For the final *Musica* he made the deliberately heavy, a consciously individualistic touch that worked wonders in creating a sense of moment and nobility. Thus, you might say, the music lives.

Two more works by Handel also made for engrossing listening, though for slightly different reasons. The Third Oboe Concerto was graced by some superlative playing from David Reichenberg, whose sound had a richness to it of a quality I have not previously encountered, even if there could have been a degree of contrast between soft and loud dynamics. And then there was the *Pastorale*, Gigue and Minuet culled from a late version of *Il pastor fido*, whose intrigue was rooted in its unfamiliarity. Pinnock gave the work plenty of impetus and grace and enjoyed its contrast of scoring, but here one could detect that disquieting feeling of something being done almost automatically.

One could, indeed, in William Boyce's Fourth Symphony, a work which strikes me as pretty ordinary anyway, and in J. C. Bach D major Symphony, Op 18 No 4, and while J. S. Bach's Third Orchestral Suite was expertly done, of course, it is not - and was not - as if it had never been done before.

Stephen Pettitt

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SENSE FOR THE CITY

The Financial Services Bill which was published yesterday is the logical culmination of a process started in 1981, when a committee was set up to review investor protection after scandals involving uncontrolled new forms of investment. The scheme of regulation it sets up is the better for that long and careful evolution. It is not an instant response to the latest revelations about Johnson Matthey Bankers or Lloyd's, which are covered by separate legislation. Nor is it primarily aimed at improving the prosecution of fraud, which vital task is likely to be tackled by a new Criminal Justice Bill in the next session of Parliament.

Its main purpose is to increase protection for investors by ensuring that anyone from doorstep life assurance salesman to City commodity broker is subject to regulation and obliged to operate according to rules that will be fair to investors. Because of the Bill's timing, just ahead of sweeping changes in the structure of the Stock Exchange to promote competition in securities dealing, it particularly aims to protect investors from new conflicts of interest that will come from the breaking down of traditional barriers.

The present hue and cry over fraud has inevitably affected the way the Bill will be judged. So has distrust of the arrogance of finance at a time when the City is enjoying a boom absent from parts of manufacturing industry. Aside from the exemption of Lloyd's, the Bill stands up remarkably well to new circumstances and this harsher scrutiny. The system would probably, for instance, have coped both with the problems at Lloyd's and those at the London Metal Exchange, had it applied. That in itself is a reason for confidence, since its recommendations are in essence those developed several years ago.

The basis of that system is self-regulation with the additional protection that self-regulating organizations (SRO's) like the Stock Exchange are under the

continuous supervision of a permanent board. That is the vital difference between the system now proposed and that set up by the Lloyd's Act of 1982 and found so conspicuously wanting.

The supervising board is to set model rules for the SRO's aimed at raising standards in different businesses to the highest common factor and enforcing a series of common principles that are fully laid down in the legislation. The most important of these fair-dealing principles is that of disclosure.

Providing investors with the maximum amount of information, whether on life assurance commissions or bond prices, is the greatest safeguard that does not destroy the benefits of competition.

The success of the system will depend, to a large degree, on the will and power of this supervisory board to take the customer's side in its dealings with the SRO's. The Bill gives it considerable power, not just to authorize self-regulation in each trade, but also to ask the courts to impose rules where necessary. If the board uses its powers to protect the customer, the structure may well prove, as ministers claim, to be both strong and flexible.

There are a number of misjudgements in the Bill. The exclusion of Lloyd's, which would plainly benefit from continuous supervision, is one of them. If, as it appears, it would be too complex to include Lloyd's in the Bill, then the Trade Secretary, Mr. Leon Brittan, should give an early pledge to amend the Lloyd's Act to this end. It would also be better to include the City Takeover Panel in the supervisory system to help it bear the greater strains likely to be imposed on it by increased competition in the City. The system of three-man appeal tribunals envisaged to vet decisions of the supervisors looks ill thought out, and may tend to undermine the authority of the regulators. The clause seeking discretionary powers to ban firms from countries that do not

have such an open financial system as Britain looks no more than a sneaky piece of discriminatory protectionism that surely has no place in this Bill.

For all the easy charges of cosiness levelled at self-regulation the argument over the basic structure is likely to be remarkably narrow. The Opposition's demand for statutory control amounts in practice to little more than a desire for a supervisory board that is less dominated by practitioners and a feeling that more breaches of the rules should be made criminal offences. The first point can easily be met in the selections made by successive Secretaries of State. There is more substance in the second.

The Bill relies principally on making it criminal to trade without authorization, the ultimate punishment of self-regulation. That could be strengthened by putting the power to fine miscreants into the system. Experience does not suggest, however, that making malpractice a crime is an effective way of stamping it out. The Insider Trading laws, for instance, have proved so ineffective that the measures now being taken to enforce them have an air of desperation.

The threat of wider criminal sanctions if the system fails will undoubtedly strengthen the regulator's hand. But it should not be pushed too far at this stage. With the exception of dealings on the Stock Exchange (which has a good record but now faces stiff new pressures) the Bill will greatly improve safeguards for investors, without the heavy-handed regulation that would kill London's future as an international financial centre.

In practice, the system will undoubtedly be found fallible under some of the new pressures it will have to withstand. But that is an inevitable by-product of the tension between regulation for fair dealing on the one hand and freer competition for efficiency and lower costs on the other.

TALKS ABOUT TESTS

The latest Soviet initiative over a comprehensive test ban (CTB) is the latest in a series of peace and good will messages from Moscow which are not quite unblemished by self-interest. The well-timed hint that the Soviet Union might now be prepared to countenance on-site inspection of its underground nuclear test sites remains, however, an offer of some significance. It has come just after the announcement of an East-West accord at the United Nations to co-operate in the long war against international terrorism, something which the United States ambassador to the UN Mr. Vernon Walters (no sofie in these matters) has described as a historic step, almost without precedent in the 40-year history of the UN. Together they reflect, at least, a fresh approach to foreign affairs at the Kremlin.

The suggestion that reciprocal on-site facilities might now be possible after a series of Russian nudges over a possible CTB this year - particularly the moratorium

on its own testing programme, which it now says it might extend beyond the expiry date on January 1. It still has to be enshrined within a formal proposal at the Geneva talks when these reopen next month after the recess. But it comes after one or two not dissimilar hints in recent years that the Russians might now accept on-site inspection in other areas of arms control.

Mr. Mikhail Gorbachev has been well-advised. On the face of it, the Soviet offer removes the biggest obstacle in the way of a CTB treaty. This is the difficulty of ensuring satisfactory verification procedures - something on which British and American governments have rightly insisted. An increasing number of scientists in the West have argued that verification is possible anyway through advances in seismological technology. But the Soviet proposal for on-site inspection plus a chain of monitoring stations round the world, goes much further

towards answering Western powers' demands.

What it does not do is to allay British and American concern that the Soviets are carefully working things to their own advantage. The Russians have largely completed their own missile testing programme and can therefore afford to ease off. Not so the Western powers including Britain which is developing a warhead for the Trident submarines in ten years' time.

There are strong arguments though for the British, American and Soviets at least to resume the CTB talks they broke off five years ago. Dependence on tests has to some extent decreased through advances in computer simulation. If a CTB treaty can be signed it will add strength to the non-proliferation movement, and provide some impetus to the painfully slow progress over arms control. This is a heady prospect, but the Russian offer (if we can call it that) might just represent a step in that direction.

FITTER THAN WE THINK

Politicians, even radical-minded politicians, come and go; spending programmes flourish and wither; unemployment rises and falls again. But the oral life of the nation follows its own rhythm. Begone dull caries has been the watchword for the past fifteen years or more. Through the 1970s, at an accelerating rate in the 1980s, British teeth have been getting better. Visits to dentists are up; numbers of dentures are down.

We may still lack those straight-backed rows of molars, pre-molars and canines which adorn the mouths of our American cousins. We may still stand, gap-toothed, in some need of the orthodontist's art. Yet our dental progress is unmistakable. In 1968 some 37 per cent of adults in England and Wales had lost their own teeth; in 15 years that figure dropped to 25 per cent. And the check-up habit has grown. During the same period,

the proportion of adults going to their dentist for a regular check-up grew from 40 to 48 per cent.

Teeth are one of the elements of domestic life measured in this week's edition of the General Household Survey, which remains like its companions recording social, economic and population trends) a standing tribute to the quality of the government statistical services. Morose wits have observed that Britain's decline will be the best measured in history. Yet the data belie lazy generalizations. Whatever the trends in income and employment, the household facts, as surveyed by the Central Statistical Office, are about improvement. Year on year Britain is becoming better housed: people have more space than ever before, better heating. Lives are more sanitary and they are more comfortable. Ownership of televisions, fridges, phones and cars moves onwards

and upwards without a break - through the years of mass unemployment.

The beauty of these social statistics is that they defy the Cassandra. Enemies of the motor car and the television, likely to be glib about the growth of a sedentary life style, have to contend with the fact that while car ownership increases the number of trips taken by car may be in decline and that while television watching was even more popular in 1983 than five years previously, during the same period there looks to have been an increase in the amount of strenuous physical exercise taken. Leisure-time walking is not only the most popular physical activity but people are doing more of it, and doing more of it in winter, too, despite the weather. That fact may not constitute social progress, but it will surely benefit the national waistline.

Violence of their own personal kind. This violence is often of an unskilled, spontaneous sort and is not likely to be mainly "something just copied" from a television model. In other words, the danger includes, but goes well beyond, imitation.

I hope that those currently engaged in designing and in managing controls over the violent content of television programmes will have this matter very much in mind. Yours faithfully, WILLIAM BELSON, 41 York Mansions, Prince of Wales Drive, SW11. December 10.

Violence on television

From Dr William Belson
Sir, In your issue of December 6, Mr David Holbrook quoted the following item from the BBC's 1983 Guidelines:

There is no absolute proof of any instance of aggressive behaviour in society being due to an act of violence seen earlier on the television screen. That unrealistic statement appears to refer to the issue of direct imitation of screen violence and Mr Holbrook so treats it. In my view, as a television investigator, there is no doubt about children imitating what they see on television. However, it should not be thought that imitation is the only

way in which television violence produces violence in the young viewer. Researchers have over the years put forward a number of psychological processes likely also to be involved.

The results of my own studies of the effects of television violence are consistent with one of these, namely, that long-term exposure to television violence erodes the social training that society imposes on children as a means of inhibiting or blocking off such underlying violent tendencies as they may have.

When this socially imposed control system is sufficiently weakened, children with such underlying tendencies may then lapse into

Schizophrenia in national context

From Mr Colin Kirk
Sir, It is to be hoped that your articles (December 16-18) on the plight of people with schizophrenia and their relatives will foster a national debate, which is long overdue. It is to be regretted that the second report of the Social Services Committee of the House of Commons failed to achieve that.

The same fate has been met by the "10 year plan" of the mid-sixties, *Better Services for the Mentally Ill* of the mid-seventies and various other general policy statements, including *Care in the Community and Patients First*.

The message is common to them all. That message is that schizophrenia causes more hardship than any other illness, consumes resources that cost the country hundreds of millions of pounds a year, is inadequately researched and for which patterns of service delivery are often inept and inadequate.

The polarization of view between provision of asylum in mental institutions and provision of community care services needs to be debated in an informed and agreed context and a reasonably standard model of service delivery applied nationally. It will not be a compromise but a recognition of the part each has to play, which, when implemented, will need to be backed up by quality assurance measures that have legal force.

There have been major scandals about standards of treatment and care in the mental institutions and similarly about neglect in the community. Good practices, in both locations, have been extensively reported over the years in the professional press. These are less newsworthy, no doubt less powerful in achieving change through public pressure, but they hold out hope for the future.

The legislators in 1946 drew a dividing line between the National Health Service and social services, which makes discharge from hospital the legal point at which NHS responsibility for treatment and care is replaced by social service responsibility for after-care. It is a point largely ignored by those mental institutions which, in response to lack of after-care resources, have developed their own community outreach, combining their resources with those of social and voluntary agencies which are available.

A non-strike situation

From Mr Michael Winner
Sir, Your readers who wonder where their ITV programmes have been disappearing to lately - and will, it seems, vanish over Christmas - may not recall the electricians' union announcing the result of their strike ballot; even though they took Government money to aid such democracy.

The reason is simple: there was no ballot and there is no strike. Why then, the wondering might ask, are programmes disappearing along with the electricians who are meant to light them?

Selling 'Militant'

From the Editor of Militant
Sir, Your editorial (December 10) makes a big mistake in its assertion that selling the *Militant* newspaper is a "punishable offence according to Labour's rule book".

On the contrary, despite all the attempts to justify expulsions in these grounds, there is nothing in Labour's rule book about selling *Militant*, or any other paper for that matter. This was made clear by Jim Mortimer, the past general secretary, who reported to the January, 1983, NEC that action against *Militant* Tendency "should not preclude Labour Party members from reading, selling, purchasing, publishing or writing for newspapers, including *Militant*".

Again, in June, 1985, David Hughes, the party's national agent, stated in an expulsion case that

Clinical staff salaries

From Professor T. H. D. Arie
Sir, Two letters from heads of universities (October 30 and November 29) draw attention to the serious consequences of breaking the established parity of salaries between clinical doctors employed by the universities and their counterparts in the National Health Service. But for university departments in what are variously called the "priority" or "Cinderella" specialties this will be a catastrophe.

The department for which I am responsible is concerned with the care of mentally and physically ill old people. Much has been achieved in raising the quality of medical practice in these fields and this has been in large measure through building up effective educational programmes for doctors and other health workers. But for this we need to recruit able people to teaching posts.

Second best

From Dr John H. Greensmith
Sir, Mr Elwyn (December 14) was lucky to be able to cut a boiled egg with his credit card.

I have also heard that credit cards are useful for cleaning windcreens on frosty mornings. Unfortunately, my credit card doesn't cut any ice with my bank manager.

Yours faithfully, JOHN GREENSMITH, 42 Prebend Street, Bedford.

From Mr John Wade
Sir, Further to the letter from Michael Elwyn, I would have been more interested had he taken a hard-boiled egg and cut a credit card in two. Yours faithfully, JOHN WADE (Member, Inner Magic Circle), The Magic Circle, Chancery Mews, WC1.

LETTERS TO THE EDITOR

Self-control issue for Lloyd's

From Mr Gerard Wright, QC
Sir, The preamble of Lloyd's disclosure of interests by-law reads as follows:

Underwriting agents at Lloyd's are subject to the duties imposed by law upon agents generally, including fiduciary duties to account to their principals, to avoid conflicts of interests and not to make secret profits.

This is a correct statement of what the law is, and of what the law was long before the passing of the Lloyd's Act 1982.

However it is now generally known that many syndicates, more accurately described as "predefined" syndicates, have been a feature of the Lloyd's scene for a long time. The PCW group, unknown to most of its members, had several. Two of them were numbered 954 and 986 and in the years 1970-79 they each had just seven members. They were the same seven members and six of the seven were working underwriters employed by the group.

In the years 1970-79 the two syndicates made profits totalling £2,585,866. Of this princely sum Cameron Webb and Dixon shared between them £1,073,333, more than £500,000 each. These figures would have been filed with Lloyd's. They indicate a flagrant breach of the principles of law set out above.

In today's *Times* (December 11) you have the headline: "Lloyd's chiefs clamp down on preferred underwriting." As one of the defendants PCW names I ask two questions. First, why did Lloyd's permit its names to be defrauded for so many years? Second, is an institution which permitted this to happen fit to regulate itself?

Yours faithfully, GERARD WRIGHT, Melbourne Buildings, 21 North Street, Liverpool. December 11.

Nuclear waste disposal

From Dr J. G. B. Russell
Sir, The report (details, December 16) of the concern expressed by the Commons select committee regarding radioactive waste disposal by the British nuclear industry must be kept in perspective. A recent survey by the National Radiological Protection Board estimated the annual population exposure from radioactive waste to be 120 man-Sieverts (units which measure the radiation dose to the population).

This may be compared to the population radiation exposure from mining and burning coal, which is estimated at 466 man-Sv per year. However, by far the biggest contribution to man-made ionizing radiation to the population is from medical diagnostic radiography, 12,000 man-Sv per year.

At present, British Nuclear Fuels are spending as much as £50,000 to avoid the exposure of 1 man-Sv. The radiation exposure from diagnostic radiography can be halved at a cost of £150 per man-Sv saved.

Resources may be short, but they should be spent where the most benefit will arise. Before large sums are allocated to reduce further the population exposure to radiation from the nuclear fuel cycle, the much larger problem of reducing exposure from diagnostic radiography should be addressed. Yours faithfully, J. G. B. RUSSELL, Department of Radiology, St Mary's Hospital, Whitworth Park, Manchester. December 16.

CND membership

From Lord Orr-Ewing
Sir, Henry Stanhope (feature, December 13) appears to accept CND's denial that it is "going through a lean time". He reports without comment a CND spokesman's selective figures showing a rising membership since 1978. Published figures for 1984 (not included) show that membership is static at 110,000. "About 800 a month still join" sounds impressive but 800 a month also lapsed.

Yours faithfully, IAN ORR-EWING, House of Lords. December 13.

Fog in the Hebrides

From Vice-Admiral Sir Ian McGeech
Sir, May I comment upon the report of your Environment Correspondent (December 13) that the Government is being pressed by the Scottish Seismic Trust to ban tankers from using the Little Minch between Skye and the Hebrides, owing to "the high risk of a giant oil spill"?

Passage west of the Hebrides, as advocated, would add at least three hours to its length. In terms of tanker operation costs this would add about £500,000 to the total arising from the 1,000 transits a year.

About one fifth of this sum applied by the Northern Lighthouse Board, and four fifths by the owners of the tankers concerned, could provide a radar recognition system, of key navigational marks which would enable tankers (or any other shipping similarly equipped) to use the recommended tracks north or south through the Little Minch with very little risk, even in the thickest fog.

To be able to sail with confidence, at many miles' range in all conditions of light and visibility, which splodes on the radar was Efficent Trodway, for example, and which was Sgeir nam Maoil (or a fishing boat), would be more in

ON THIS DAY

DECEMBER 20 1902

Since its completion in 1902 the Assuan dam (2.25km long) was heightened in 1912 and again in 1934. There were two problems of protocol at the ceremony - who should perform it (the Khedive or HRI Duke of Connaught) and the seating arrangements for the representative of the German emperor and that of the king of Italy. All there is no space to include the account of the bizarre diplomacy involved in the solutions. The Assuan High dam (3.8km) four miles upstream was completed in 1970.

THE OPENING OF THE ASSUAN DAM

(FROM OUR SPECIAL CORRESPONDENT, ASSUAN, Dec. 10)

Today the last stone of the huge wall - by which the flood of the Nile has been cribbed and confined - was laid with all due pomp and ceremony... Now the dam is complete Upper Egypt may reasonably be expected to rival, if not to surpass, Lower Egypt in the extraordinary fertility and productivity of its soil. Moreover, it is as there is every reason to expect, the Assuan Dam proves permanently successful, it is certain to be the forerunner of a number of similar works south of Assuan. Men now living may not reasonably hope to see the day when the Nile has become navigable all the year round, from its mouth up to its sources in the Equatorial lakes. In that event Egypt may be about to enter on an era of grandeur and prosperity unknown even in the days of any of the countless dynasties which have held sway over the valley of the Nile.

The first special train from Cairo, by which I was a passenger, left on Thursday evening for Luxor, where we stopped both Friday and Saturday so as to give the guests time to visit Karnak and the tomb of the Kings. It took occasion to see for myself the changes which had occurred in the aspect since I had last visited it, a little more than two years previously. At that time the work of the dam had not been raised more than 13ft to 14ft in any part, and the general features of the scene were still such as I remember them to be in the old days, when the river rushed down in blind fury over the sunken rocks. All this is changed now. From one side of the valley to the other there stretches a solid granite wall of a mile and a quarter in length, surmounted by a fine stone pavement. A line of rails for trolleys cars in the centre and with stone parapets on either side. The whole work, to outward appearance, was absolutely complete. All the scaffolding beams, sheds, and work-shops had been swept clean away. I could not detect the presence of a single workman in the neighbourhood. A few of the sluices were open to stop the rise of the water behind the dam, which at present, when the sluices are closed, rises at the rate of 4in. a day. Looking northwards, what struck me most was the seeming shrinkage of the river. It was no longer the broad deep stream, only broken by the rocks which stemmed its downward course, and separated its waters into different channels. On the contrary, the rocks looked now as if they, and not the waters of the Nile were masters of the situation.

The grand Tarnishish channel, whose course had been obstructed just above the centre of the dam, was well-nigh bereft of its water, and minor streams were formed in every direction as the open sluices belched forth the seething masses of white foam into the channels which lay nearest to their chute, especially the Grand and the Cataract, which though no longer so formidable as of yore, may yet prove fatal to those who have not the knowledge of the shifting currents possessed by the native pilots. In the evening the whole long frontage of Assuan was brilliantly illuminated. Every house, every roof, every window, and every door was picked out by rows of lights hanging close together. The air was so still you could not hear a rustle in the trees or see a flicker in a single one of the myriad of lamps. Never in the many illuminations I have seen have I witnessed a lovelier night than that offered by the city of Assuan, hanging hazy lit, as it seemed, in the air, as seen from the decks of the steamer moored along the shores of the reservoir island. Early daylight tomorrow the whole flotilla of steamers will have passed away northwards, the visitors will be gone, the flags will be taken down, the lamps put away, and Assuan left to its wonted solitude till the next tourist season wakes the sleepy city up once more to life. *Adieu patrie, vengeance est faite.*

After the ceremony was over the locks were opened, and number of launches and sailing boats passed up from the river to the Nile, and many of the guests, especially the French ones, sailed back to Assuan through the Cataract, which though no longer so formidable as of yore, may yet prove fatal to those who have not the knowledge of the shifting currents possessed by the native pilots. In the evening the whole long frontage of Assuan was brilliantly illuminated. Every house, every roof, every window, and every door was picked out by rows of lights hanging close together. The air was so still you could not hear a rustle in the trees or see a flicker in a single one of the myriad of lamps. Never in the many illuminations I have seen have I witnessed a lovelier night than that offered by the city of Assuan, hanging hazy lit, as it seemed, in the air, as seen from the decks of the steamer moored along the shores of the reservoir island. Early daylight tomorrow the whole flotilla of steamers will have passed away northwards, the visitors will be gone, the flags will be taken down, the lamps put away, and Assuan left to its wonted solitude till the next tourist season wakes the sleepy city up once more to life. *Adieu patrie, vengeance est faite.*

Horns of a dilemma

From Mr Alan Long
Sir, I would comment to the kindly Mr P. Schofield (December 13) this advice to welcome home his prodigal daughter: "Better is a dinner of herbs where love is, than a stalled ox and hatred thereof." (Proverbs XV.17). It seems an apt text as the nativity scenes in the stable are rehearsed again at this season.

I have sent him some practical guidance on seasonal vegetarian fare which I hope all his family can share together. Good wishes, ALAN LONG, The Vegetarian Society of the United Kingdom Ltd, 53 Marlow Road, Kensington, W8. December 14.

Horns of a dilemma

From Mr Alan Long
Sir, I would comment to the kindly Mr P. Schofield (December 13) this advice to welcome home his prodigal daughter: "Better is a dinner of herbs where love is, than a stalled ox and hatred thereof." (Proverbs XV.17). It seems an apt text as the nativity scenes in the stable are rehearsed again at this season.

FRIDAY PAGE

Still in the limelight

Claire Bloom returns
to our television
screens on Sunday
in *Shadowlands*.
The English rose, star
of stage and film,
was shot to fame
by Charlie Chaplin

There is nothing laid back about Claire Bloom. Her house is immaculate, her clothes are exactly chosen and her words are considered and reticent. She is tense, sitting on the edge of her green gingham sofa ready, apparently, to take offence. And, finally, she is quite staggeringly beautiful.

At 54 it is not that she looks young in the manner of some *Dynasty* moll, but rather that age suits her. Her evidently taut and controlled personality has grown into her face, making it finer-grained than in her youth and infinitely more expressive.

It was, of course, the fuller, 19-year-old version of that face which obsessed Charlie Chaplin. He used it to embody a vision both of his mother and of his wife in the film *Limelight* as part of his complex attempt to put aspects of his own life onto the screen. She had no idea of the psychological quagmire into which she had stepped when she took the part. But she did know that Chaplin had made her a star. She came back from Hollywood to find herself the heroine of the Fifties gossip columns and to perform one of London's most memorable Julietts.

She was assumed to be the latest English girl to conquer Hollywood, but it did not quite happen like that. Certainly she married Rod Steiger, a match that seemed appropriate to the rising cinema superstar image. But neither the next few films she made nor her personality quite fitted the part.

"I had a very guarded life in Hollywood when I was making *Limelight*", she explains. "It wasn't really Hollywood at all, it was Chaplin. I went back there to make *The Brothers Karamazov* - that's the one that makes me wince a lot - and there was a kind of glamour, but it wasn't for me."

Part of the problem was her unease at the quality of the fame which she had to endure. She was a darling of the tabloids. Her every liaison and acquaintance was faithfully documented. "It was a nightmare, the stuff written about me," she says. "I was a horror. I was disliked. I seemed to have a funny effect on the press. It was as if I was a child and I belonged to them."

Another problem was that she found it almost impossible to live permanently in America. It is a country that seems to strip her of any identity. "When I was married to Rod Steiger we lived in Malibu. That's not a place it's just a nightmare. It's not even living abroad, it's just Gloomsville."

Nevertheless, Americans evidently attract her. After Steiger she married the producer Hillard Elkins and now she lives with Philip Roth, the author of *Portnoy's Complaint*. But still the country seems to hold some indefinable terror. "When we stay at Philip's farm in Connecticut we are in the middle of nowhere. There's nothing outside. It's just an isolated house. Here I have friends and everything."

Almost all the time now her home is an unspectacular London terrace house where Chelsea begins to fade into Fulham, not far from Hollywood Road. The decor is safely and expensively tasteful. Upstairs lives the daughter she had with Steiger, Anna, who is an opera singer. In the basement lives a very old lady, a sitting tenant who came with the house when it was bought 10 years ago. Bloom has long given up collecting any rent.



A certain wistful detachment from the whole charade

Claire Bloom was destined to become neither American nor a film star. She loves London too much and has lived here so long and so intensely that every street seems to have a personal memory. England as a whole she can take or leave, but London is an addiction - "It's a great wonderful city."

From *Limelight* she went on to a series of increasingly successful stage performances, as well as some film roles, culminating in *Blanche du Bois* in the 1974 London production of *A Streetcar Named Desire*. She remembers it as her finest role and everybody who saw it recalls it as one of the great performances of recent years.

Physically the role almost destroyed her. Blanche dominates the three-and-a-half-hour play and Bloom had agreed to do eight performances a week. It was probably worth it after that she ceased either to be the little mouse of the London stage or the lucky beneficiary of show business's greatest lucky break. She became simply one of the best actresses of her generation.

Through it all runs this feeling of fierce control, of nervous sensitivity. All the time she watches and jealousy

guards the way she is perceived in case at any time she slips below her expectations. "I am a star", she announces at one point. "I have always been a star."

She is unquestionably right. Worthy and solid as is everybody else in her latest film for British television, the moment she appears the production takes off. It is called *Shadowlands* and tells the story of C. S. Lewis in late middle age.

The old Christian visionary and Oxford don meets an American admirer, Joy Gresham. With two sons in tow, she is fleeing a broken marriage. Born Jewish and formerly a Communist, Lewis's writings have helped turn her into a Christian. Out of friendship Lewis marries her to allow her to stay in Britain, drawing up a contract making it clear that the whole thing is purely a business arrangement. But, when she falls desperately ill with cancer, he suddenly realizes he is hopelessly in love and the marriage becomes a real one.

The first oddity about the production is that it is by *Everyman* which means that it is from the BBC's religious department. "That did give me a bit of a turn at first but then I saw a few things *Everyman* had done and I knew it



Bloom in 'A Streetcar Named Desire' (left) and 'Limelight'

wasn't going to be a religious tract. I had read some C. S. Lewis but it's not exactly up my alley. I'm not in the least interested in Christian philosophy. But the character of Joy did interest me. She was a woman of great enthusiasm and Christianity was one. Perhaps she would have outgrown it if she had lived longer."

During the six weeks of filming in Oxford and Cardiff last winter, it was clear that some tensions did arise from Bloom's scepticism about the motivation in the story. The finished product is warm and distinctly Christmassy; she had in mind a considerably bleaker reading.

Bloom has been doing a steady series of television appearances including several in the BBC Shakespeare series. When we met she was just off to Paris to start filming yet another American mini-series, this time about the sculptor of the Statue of Liberty. It is all varied and reasonably exciting work but none of it holds out the promise of another *Blanche du Bois*.

"I would like to do another stage play. But not in the commercial theatre, only in controlled circumstances in repertory or a limited run. But there just aren't that many parts that would make it worthwhile."

Not having been a film star, she lacks the ability to pick and choose the odd, gigantic production. Instead she seems tied to the hard work of television. It occasionally offers up plums: she has filmed *Oedipus* for the BBC with Michael Pennington and next spring she will be making a version of Philip Roth's *The Prague Orgy* for Channel 4. But there is a sense in which it is not enough for her.

She is not one to admit there could be anything wrong. Indeed in reality there isn't. But for a certain defensiveness, her nervous energy obviously allows her to enjoy every minute of every job, even when the scripts are lousy and the directors will not direct - and, in any case, she retains a certain wistful detachment from the whole charade.

"If you read my book you'll see I wanted something else other than to be a film star. I wanted to be an actress. There are other rewards than being a big movie star. I always wanted to do all kinds of things and I'm just as ambitious now as when I was 20."

"When I wrote my autobiography I realized there was a straight line between my desire and my objective. When I was a child I used to daydream, to embroider on life. Acting is a way of doing that professionally. I think for all actors - even very intellectual men like Gielgud - it's just a way of playing a certain childish game. In one way it's important and in another it's totally unimportant. You put loads of emotional baggage into it but it's all over in a moment and you know it's just because you had to keep a certain childlike part of yourself alive. It's such an odd profession. It's so foolish to think one will be remembered."

Bryan Appleyard

Shadowlands will be broadcast on BBC1 at 9pm on Sunday. Claire Bloom's autobiography *Limelight* and *After* was published by Weidenfeld & Nicolson in 1982.

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MEDICAL BRIEFING

Playing it safe with the sleeper

The case of Vladimir Leontev, the Russian admitted to a Hemel Hempstead hospital apparently either asleep or unconscious cost the NHS around £3,000, including considerable sums in fruitless investigations. Television shots of Mr Leontev showing the way he responded to nursing care made it clear that the symptoms were unlikely to have been caused by physical disease. But in these cases there is always the possibility that the patient's psychiatric state is secondary to organic disease, so exhaustive tests are necessary.

If Mr Leontev was not malingering it would seem he was suffering from a variant of



Leontev: malingering?

the hysterical state of somnambulism where, despite a waking rather than a sleeping electroencephalograph from the brain, the patient does not respond to

external stimuli. The more usual problem confronting hospitals is the allied loss of self-identification and memory, where the patient has no idea who he is or where he has come from and is possibly suffering from a life or situation they have found impossible. Sooner or later they come to and are able to give an account of themselves.

Mr Leontev was deported to Calais and was released from his three-week sleep last Friday. French hospital staff had shone lights into his eyes and tickled his feet. He is said to be excessively weak because of malnutrition and is expected to undergo psychiatric tests.

depresses the blood sugar level. This increases the signs and symptoms of the hypoglycaemia which was the cause of the initial hunger.

The same happens in countless commuters' houses every evening when the breadwinners return tired, hungry and distraught from the office. Doctors have found that if they can persuade the heavy early evening drinker to take a pint of apple juice or similar drink, before they start on harder stuff, their consumption of alcohol often falls dramatically. They think they need a quick drink to forget the tensions of the day when in fact what their bodies are craving is food.

No wheezing it's serious

Aggression may be related to stress disorders, but there is good news for those who have asthma which is exercise-induced. In fiercely fought competitions, their condition often allows them to play unhindered. An attack of wheezing is more likely when playing a friendly game.

Food good, bottle bad

Friends of jockey Steve Caughen have suggested that his claimed alcohol problem started after he decided to keep within his racing weight. The temptation for the hungry to drink excessively is enormous.



Caughen: diet or drink?

The sugar in it, quickly absorbed from an empty stomach, provides almost immediate relief from hunger. Unfortunately the sugar is absorbed so quickly into the bloodstream that it triggers a flood of insulin which, unless counteracted by food, further

Careful watch on squash dangers

Squash players who escape coronary collapse should take special care of their eyesight. In 1983 the Squash Rackets Association appointed a working party to study eye injuries and ophthalmic departments to evaluate the size of the problem. More than 339 eye injuries were reported to the association between October, 1982, and March, 1983.

Mr J. Kennerley Banks, a London eye surgeon and a member of the working party, has reported his findings recently to the British Medical Journal. The half was responsible for 235 injuries, the racket for 103 and colliding with the wall three. In 40 cases the player's sight will be permanently damaged; haemorrhage, swellings, and detachment of the retina were the common causes of injury and in only three cases was the eye damaged by penetration.

Infertility explored

As Christmas centres on nativity and festivities for children, the frustrations of childlessness are heightened at this time of year.

A recent study in the Bristol area by a multi-disciplinary team has analysed the problem; it affects 400,000 people in the southern half of Bristol. Weston-super-Mare and the adjoining countryside. A total of 708 couples sought help so that it is known that at least one pair in six are involuntarily infertile.

The results of the survey, published in the *British Medical Journal* confirm previous findings that in the largest group of infertile couples the cause remains unexplained; in many of these cases pregnancy was later achieved without treatment. It is suggested that test-tube fertilization offers hope to 18 per cent of the couples investigated.

Are the children sitting safely?

The queues of London last Friday were a forerunner of the flight to the country which will happen this weekend. Many parents will drive believing that their babies are safe from accidents.

Research work at Charing Cross Hospital shows that many families have bought an estate car or hatchback expressly to accommodate children and their luggage and it is these cars that have inadequately secured baby seats.

Research work at Charing Cross Hospital shows that many families have bought an estate car or hatchback expressly to accommodate children and their luggage and it is these cars that have inadequately secured baby seats. It is especially dangerous if the rear anchor of the child's seat is too close to the foot of the back seat.

Short sharp shock: Christmas Day at the Serpentine

The antidote to sloth induced by food and drink this Christmas should be brisk but not violent exercise. A heavy meal taxes the coronary circulation, hence some of the diagnostic confusion which exists between angina and indigestion, and it is better for the overfed to walk off the ill-effects of the turkey and plum pudding than to do battle on the squash courts.

Last year Glasgow University cardiologists found that two-thirds of early middle-aged men who occasionally played squash sometimes developed changes in their ECG tracing which, in other circumstances, would be linked with heart disease. Only when these men

took vigorous exercise three times a week did they benefit.

Cardiologists are also enthusiastic about the Christmas morning swim. Although for the aspiring politician it makes an easy paragraph in the local press, the ECG shows that the publicity could easily have been turned into a notice in the obituary column. Experiments show that even holding a single limb in ice-cold water will often reveal coronary weaknesses.

Finally, beware indigestion. All too often a patient's self-diagnosis of indigestion proves to be coronary heart disease; of 82 patients admitted to one cardiac unit, 28 had made the mistake.

Some dos and don'ts for a healthy Christmas

● If travelling away for Christmas, make certain before leaving that the whole family has enough of any medicine they may need. Children in particular may require more than expected.

● Treatment for sea and car sickness has also greatly improved in the last few years. Before a long journey it may be wise to give an over-excited child a mild tranquillizer at bedtime but it is important for parents to know that the child

may be depressed and irritable next morning.

● Long car journeys and air flights are not suitable for pregnant women and should be broken every hour or so for exercise. Even a walk down an aircraft passage is usually enough to restore circulation; the sitting position causes pelvic congestion and heightens the risk of miscarriage.

● Mild stomach infections can spoil Christmas for both patients and doctors yet rules of hygiene are simple and

straightforward. Make certain all poultry is completely thawed before cooking and store cooked and uncooked food in different places. When preparing dinner do not use the same cooking utensils, whether knives, forks or dishes, for preparing cooked and uncooked meat. Stuffing should be cooked separately but if the cook insists on being traditional it should be placed in the bird's crop.

Dr Thomas Stuttford

Heartfelt respect?

From T. C. Alexander, 11 Highgate Lane, Farnborough, Hants.

It is pleasing to note that Sir Michael Havers received such splendid attention during his stay in a National Health hospital (First Person, Monday Page, December 9). I wonder if Sir Michael appreciates that the "cheerful and dedicated nursing staff" who did so much to help him are held in such high regard by their paymasters that when they are due for overtime payments, these are based on their old rates of pay and not on the rates of their last pay award, ungenerous as this was.

I wish Sir Michael a speedy and complete recovery.

From Mrs Julie Moody, Elder Garth, Garforth, Leeds.

Pleasing as it is to read praise of the NHS, Sir Michael Havers's account of his experience is touchingly naive. Surely he is not labouring under any delusion that the excellent treatment he received was entirely unrelated to the staff's undoubted awareness of his identity?

From Margaret Mackay, The Old Post Office, Tormarton, Badminton, Northavon.

I was delighted to read the feature written by Sir Michael Havers. Having recently had the care of an aged parent, terminally ill with cancer, and a daughter having her first baby, we leaned heavily on the health professionals.

I was, at the same time, shamed by the way we reward the nurses, whose importance, like Sir Michael, I cannot exaggerate. An agency nursing bill listed the services of a state registered nurse at £3.25 per hour, a state enrolled nurse at

TALKBACK

£2.95, and of a nursing auxiliary at £2.50. When this is compared with garage and electricians' bills, not to mention the remuneration of our doctors, bankers and solicitors, the gulf seems wide beyond toleration.

The servicing of our human needs when we may be physically and emotionally dependent on the responsible nursing staff, is surely as worthy of decent remuneration as the servicing of our machinery or money. I see that current pay negotiations for nurses are beginning, and having in mind the miserable figures above, I hope there will be great public support for their case.

From Mrs Jacqueline Dale, The Old Booby, Drem, North Berwick.

Michael Havers's tribute to the National Health Service made interesting reading. It is heartening to hear from so authoritative a source that, in a busy, well staffed cardiac surgery unit, he received such excellent care. He should not have been surprised at "the amount of responsibility... delegated to them". These responsibilities are part of the job for which their professional training equips them.

Sir Michael was well advised to have his heart operation in such a distinguished NHS teaching hospital, but would his doctor have given him the same advice if he had suffered a stroke and had been faced with admission to a poorly staffed medical ward in a crumbling, Victorian, non-teaching hospital where resources are all too often woefully inadequate?

Putting an end to the fancy dress scramble with the wave of a wand

We are in the thick of the party season and it's whoopee cushions and Smurties all the way to Christmas for our cherished under-tens.

Peter was invited to a party last Friday - a fancy dress party. Usually I don't read the invitation until five minutes before we are due to set off and the words "fancy dress" can root me with horror to the spot for a full minute. After that I have to whip off my best shorts and shirt and wrap him in yards of old sheet with hasty tacking stitches.

"But what am I?" he cries, as we race out of the house. "You're a poached egg," I mutter, pressing a yellow pom-pom hat on his head.

"A poached egg? But I wanted to be Aztec, Master of the Universe," he screams.

This year, however, I was prepared. I read all the way to the end of the invitation and there it was, "costume required". I suggested to Peter that he went as a wizard. This was such a vast improvement on a poached egg that he agreed at once - perhaps fearing that if he rejected the idea I might try to get him up as an omelette.

Wizards, as far I am aware, were fairly simple dressers, favouring black cloaks and pointed hats, dotted about with stars, moons, and signs of the zodiac. I don't know what the average wizard wore for underclothes - a couple of news stitched together perhaps? This is the sort of fascinating historical detail not usually included in the "O" level syllabus. ("Medieval diplomacy was more savage during the winter". Discuss with relevance to the excruciating thermal undernews worn at court by tenth century wizards.)

A wizard way to beat eggs

MRS IONS' CHRISTMAS DIARY



Anyway, I bought some silver lining material, some silver mesh and some sequins and over the next few days I fashioned a cloak any right thinking wizard would have given his third eye for. It oozed spells, it dripped potions. It smelt of frogs.

But the hat, I had trouble with the hat. I wanted to make a cone out of a sheet of stiff black paper. I even thought I knew how to do it and set to with great confidence snipping and

chopping, only to produce an affair with a huge peak at the front and a yawning gap at the back. By the time I had worked out how to produce a cone there was so little paper left it was necessary very squint and lacking in wizardly mystique.

Peter felt that a mask would compensate for this and made one out of the many triangular off-cuts strewn across the floor. I helped him cut the holes for his eyes, nose and mouth. Unfortunately, we misjudged the relative positions of the holes and had to keep enlarging one and then another until his entire face was visible through one large hole in the centre of the mask. We had to make another one because he felt he would be recognized.

Soon, all that remained to be done was to find some way of attaching his hat to his head and his mask to his face. I found some broad elastic for the purpose and began by fixing the mask almost as soon as he arrived because his cries wouldn't go through the mouth hole. He took the cloak off soon after, too, because it strangled him when he sat down and he can't remember what happened to the hat.

MAJOR DISPOSAL AUCTION TO AVOID INSOLVENCY

PERSIAN CARPETS

rugs and runners... and others from the more important weaving centres of the East. Included are many antiques, silks, kashims, nomadic and other unusual items, not generally to be found on the home market.

City Merchant Bankers have suspended export and home market transactions of Persian Carpet Trading Co. Ltd. (Established 1954). They have instructed the auctioneers to realise at hammer prices the entire stocks in bonded warehouses. This is a move prior to foreclosure.

Every item guaranteed authentic. Expert advice available at time of viewing. To be transferred from bonded warehouses and offered at HILTON INTERNATIONAL HOTEL, KENSINGTON, HOLLAND PARK AVENUE, LONDON W11 SUNDAY 22 DECEMBER at 3.00pm. Viewing from noon same day.

Payment: cash, cheque or all major credit cards.

Auctioneers: A. Walsley Bidcoo & Partners Ltd., 144/146 New Bond Street, London W1.



THE TIMES DIARY

Bang to rights

So James Anderton, the Greater Manchester chief constable is said to have complained that much of his local police committee business was a "total sham" and that the authority often had a "negative and disruptive influence" on police work. In March the police committee was described rather differently as "consistently providing a police force with first-class buildings, equipment and communications which are viewed with envy. No reasonable proposal of the chief constable for improving the effectiveness of the force has ever been poorly received." Who said so? You guessed it...

Honours uneven

Embarrassment reigned at Glasgow University yesterday as it sought to withdraw its announcement awarding an honorary degree to political philosopher John Rawls. Dr Rawls, a Harvard highbrow currently in danger of being taken up by British Social Democrats in search of an ideological mentor, had just declined the offer. Had his elaborate sense of social equity led him to eschew the tinsel tribute? More likely, I am told, he simply did not fancy the journey across the Atlantic to receive the degree next June.

Band wagon

The GLC panto, *Robin Raipayer and his Merry Persons*, was an evident success on Wednesday night. This must have been a relief to its producer, Nita Clarke, Ken Livingstone's press officer. During rehearsals she had to meet a delegation of GLC trade union leaders who were not a little disturbed at the prospect of councilors laughing and dancing on stage while their members' jobs are about to be abolished. Much debate ensued. The unions acquiesced only when told that the show would raise some £2,000 for Band Aid.

Cop-out

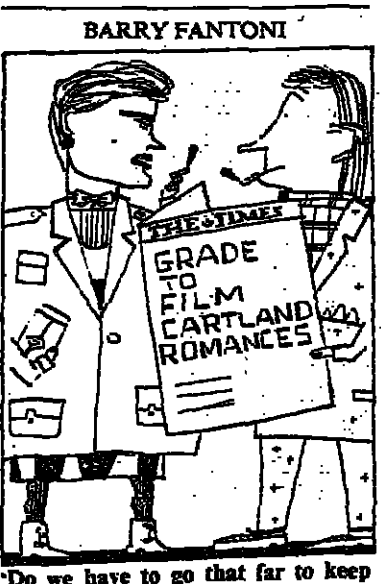
Dubious things, these left-wing police monitoring groups. Don't take my word for it. Take that of Peter Pitt, a senior GLC Labour councillor and chair of its arts committee. He has just resigned from the GLC police committee because it has given a £20,000 grant to the Hounslow group in its ward. This group, he insists, is highly sectarian, totally unrepresentative of the community, and every bit as unaccountable as the police themselves.

Clean-up drive

The Transport Minister, Lynda Chalker, seems to be adopting a distinctly personal approach to her job. A lorry driver on his way to Lincoln from Newark, in Nottinghamshire, got the shock of his life when, stuck in a traffic queue behind him, she got out and handed him a note telling him his lights were filthy.

Memorable

The Freedom of Information Campaign holds a rally to mark the 75th anniversary of the Official Secrets Act on January 14. The organizers have pulled off something of a coup. Sarah Tisdall and *Guardian* editor Peter Preston will be appearing on the same platform for the first time since he returned to the government. The memorandum leaked by her and published in his paper, a move which led to her arrest.



Do we have to go that far to keep sex and violence off TV?

Silent right

The mayor of Labour-controlled Lambeth, Lloyd Leon, is under threat of being debarred from chairing the council because of his refusal to complete a compulsory register of councillors' pecuniary and personal interests. The council ruled earlier this month that failure to disclose all debar members from chairing or voting on any committee. Besides financial interests, the register demands to know who belongs to such groups as the Freemasons, Catenians (a lay Catholic group), Lions and even allotment societies. Leon, who is seeking legal advice on his rights to continue chairing the council, is adamant: "For me, it is a matter of principle. There is freedom of information and freedom of individuals. If I am asked what my spouse's earnings are, that is my bloody business." (The register does not actually demand such information.) The demand such information? The other two Labour councillors who have refused to tell all are Ms Horstead and Stuart Catebread. Eleven other Labour members are similarly debarred because of invalid forms.

Student grants - the alternative

by Phil Woolas

Back in 1978, a Conservative student union officer received a reply from a former Secretary of State for Education to an inquiry about the state of the student grant system. The letter promised that a future Conservative administration would undertake a complete review of student grants, adding: "In that review, highest priority will go to reduction in the parental contribution."

Margaret Thatcher, the former minister in question, recognised the mess the grants system was in before she became Prime Minister. The problem is that since then nothing has happened to halt the decline - in fact the situation is now much worse. The government has presided over the erosion of the real value of the student grant by some 20 per cent, a dramatic increase in the burden of student support on the family, and the denial of welfare benefits to low-income students. The long-promised review has been shelved once again.

The latest blow - the announcement earlier this week of a desirous 2 per cent grant increase and the removal of access to supplementary and other benefits - comes just 12 months after the Conservative backbench revolt over plans by Sir Keith Joseph, Secretary of State for Education, to charge parents for tuition fees. For all his public humiliation Sir Keith got away with a sharp rise in the parental contribution which hit not "rich" but middle-income professional families whose children take up the

majority of higher education places. The latest changes to student entitlement to social security will be brought under the roof of one government department.

The social security White Paper has since appeared without any real promise of extra support to make up for cuts in the estimated £500 per year supplementary benefits claimed by the average student to cope with dwindling income and rising costs.

The picture facing students is increasingly bleak, as they are pushed further back into dependence on their parents. The pressure is now on to pick a college for its geographical location - near to home or to cheap local housing - rather than academic excellence.

Recently the three main opposition parties have come up with alternatives to Sir Keith's non-existent review, many of which echo ideas held by the National Union of Students. For instance, we recommend the introduction of a basic education and training allowance for all students in post-school education. This would remove the cruel irony of young people being better off on the dole or on questionable training schemes than by attempting to equip themselves with the advantages of further education.

The government must also address itself to the fundamental question of the parental contribution. Research has proved that it is the student who ultimately loses

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The government must also address itself to the fundamental question of the parental contribution. Research has proved that it is the student who ultimately loses

out if parents are unable or unwilling to pay the assessed amount. A survey of undergraduate income revealed that almost half of students receive less than the amount due, with a high proportion getting little or nothing. Rejuggling the contribution scales simply passes the hardship on to the student.

The question must be asked - why should parents have to continue to support a young adult into his or her early twenties, while still paying towards the education system via a progressive tax system? And why should a student be forced back into the family home when in all other respects he or she is treated as a mature adult?

The phenomenon of the student protest has reappeared as a factor in British politics as was clearly seen just 12 months ago. The combination of rightist student indignation and the feeling of betrayal among parents is a lobby which cannot be ignored, as Sir Keith found to his cost.

The changes to social security entitlement will not only cause many of the government's natural followers to rethink their attitudes to present economic policy, but will seriously damage the quality of education for hundreds of thousands of young people.

Constructive alternatives to the present chaotic and inadequate grants system have widespread support. Surely Mrs Thatcher and Sir Keith Joseph have no mandate to ignore them.

The author is president of the National Union of Students.

Church report: the real flaw

David Watt

The most striking thing about the report of the Archbishop of Canterbury's Commission on the Inner Cities is that it lacks authority. This is true in the purely formal sense that the Commission does not and cannot speak for the Church, but only to it. Both its detractors and defenders refer to it, mindlessly, as "the Archbishop's report"; it is not even that. It represents the consensus of a group of whom the majority are sociologists and social workers and only the minority clerics, according to the preface, two of its members are not Anglicans.

This does not mean that the report's recommendations are necessarily wrong or that it is not even that. It represents the consensus of a group of whom the majority are sociologists and social workers and only the minority clerics, according to the preface, two of its members are not Anglicans.

This point was explained with brilliant clarity in a small book called *Christianity and Social Order*, written by Archbishop William Temple as a Penguin "special" in 1942: "The Church must announce Christian principles and point out where the existing social order at any time is in conflict with them. It must then pass on to Christian citizens, acting in their civic capacity, the task of reshaping the existing order in closer conformity to the principles. For at this point technical knowledge may be required."

The mixed nature of the commission has resulted in its recommendation falling between two stools. Its purely social analysis makes out a familiar case well enough, but is terribly disappointing in its lack of breadth and originality and detail.

On the moral level it is better, but the ecclesiastical force of its Christian attack is diminished by the presence of so many lay sociologists on the panel and by the lack of self-confidence with which the theological arguments are advanced.

Instead of Temple's diamond-hard clarity, the case is blurred. There is the genuflection in the direction of a number of fashionable trends that are not actually necessary to the argument - Liberation Theology in the Third World, for instance, and the notion that dogma (without which, as Temple remarks, the Church is simply a collection of well-meaning individuals) is "academic", elitist and, therefore, secondary to other forms of religious experience.

The report actually seems to imply that these ideas are necessary to the "emergence of a theology which would provide an authentic basis for Christian critique of contemporary society" - as if there were not more than enough in traditional Church of England theology to provide a devastating critique if the modern clergy only had the brains and gumption to project it.

If a bridge is to be built, the Church may remind the engineer that it is his obligation to build a really safe bridge; but it is not entitled to tell him whether, in fact, his design meets this requirement; a particular theologian may also be a competent engineer, and if he is, his judgment on this point may be entitled to attention; but this is altogether because he is a competent engineer and his theological equipment has nothing to do with it.

There is a worrying loss of intellectual nerve here. What the commission is saying, it seems to me, is that the values on which Mrs Thatcher is trying to base the revival of the country are at least in danger of becoming un-Christian - in the creation of wealth, the principle of just distribution has been forgotten; in the concept of efficiency, the principles of responsibility and trust; in the notion of a free market, the idea of fellowship.

Just so. Where cities are concerned, the sociologists on the commission are (no doubt Christian) "engineers"; the clergy on the panel are theologians with considerable expertise in diocesan organization and some pretensions to expertise in urban renewal.

This thought is irritating though it is to Conservatives, is undoubtedly true. The Puritan ethic has always been difficult to reconcile with the principles of the Founder, and was barely saved from monstrosity, during the industrial revolution, by a surviving religious element of charity and humility. In a grossly secular society with that element leached out of it, it can be morally terrifying.

But what about their theological qualifications? Temple's careful disclaimer of any ecclesiastical right to dictate detailed solutions to social problems was specifically intended to clear the ground for an assertion of the Church's right and duty to state the Christian principles on which society should be ordered and to admonish governments if they do not appear to be following them.

He himself excoriated bad housing, malnutrition and above all unemployment because they offend against natural justice and a Christian concept of fellowship and also because they make it harder for people to worship God. In consequence, he was duly and fiercely attacked by Conservative politicians for "improper interference". But because he was on solid jurisdictional ground the criticisms bounced off him - and his book, a bestseller, achieved its purpose of influencing the climate in which the postwar welfare state was created.

The mix of races has produced a tenacious people of obstinate and strong opinion, who had developed and maintained their beliefs during 160 years of largely uninterested British colonial rule. René and his party have these qualities; so do those who plot his downfall.

So neither side gives up. René has gone for high-tech security on a grand scale. Money has no object.

The big question is whether René would order the assassination of Hoareau, a man of gentle disposition who became an implacable foe. René is a man of personal charm and apparent reasonableness, but it is also said that, when crossed, he is utterly ruthless and cruel. He is dedicated to his cause. When persistent opponents meet strange and sometimes fatal accidents, his apologists claim that the more enthusiastic among his strong-arm men have gone further than René himself had ever intended.

Others are more sceptical. For René the Seychelles is a great experiment. He has no doubts that his particular brand of socialism will produce a model state of great happiness. The sceptics say he intends to achieve his objective... by hook or by crook.

The author was British High Commissioner in the Seychelles from 1976 to 1980.

Christmas is a time for celebration, a time for laughter and giving. A time for gaiety and fun (writes the Rev. J. C. Busby). It's the time for children, for presents, for the sounds of happiness and merriment. It's the season when we can all put off our cares and woe for a while and get together for the good old simple pleasures of life. (How I hate these clergymen's opening paragraphs, writes Lord Andrew. You can always see the big fat coming.)

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But all this work needs money... (Thank you, writes Lord More-over. We'll let you know. Next please.)

You know, at Christmas time the restaurants are full of groups of eight, 10, 12, even more, all celebrating the seasonal spirit with office party lunches. Long after three o'clock they still sit there, ordering another round of brandy, letting the milk of human kindness flow out in their veins with French spirits (writes Len Splint).

But cast your eyes over at that table there, where one man sits all by himself, tucking into his quiche and two veg, reading a copy of *The Times*. No friend has he, no company with whom to share those blessed memories. Watch how he takes a cracker from his pocket and pulls it with both hands. See how his trembling hands put on a lone paper hat. Who is this solitary example of melancholy manhood? (Well, who is it?)

Did you enjoy Guy Fawkes Day? I expect you did. It's a time for celebration and happiness. But have you ever thought what happens during the rest of the year to fireworks manufacturers? Especially at Christmas, when nobody, but nobody, lets off any fireworks? (writes Sir Otto Jasper, chairman of the British Fireworks Makers). This year, why not have a Christmas with a difference?

Been carol-singing this year? Blimey, it was murder, wasn't it? Trying to do O Come All Ye Faithful down an Enhyphron is bad enough, but having dogs set on you, meeting up pair girls who can't speak English, and being chased off by armed retainers at Moreover Towers - well, it shatters your faith in the festive season. So here's what we're going to do instead (writes Keith and Brian Whitlock, brothers of Watford). You send us the money first - then we'll come and sing carols afterwards. Can't say fairer than that, can you?

(Sorry about the fracas at More-over Towers, writes Lord More-over. Had a bit of trouble with the taxman recently, and we thought it was another marauding gang from the Inland Revenue. Tell you what, lads, here's a fiver for you and no questions asked, eh? Anyway, dear reader, you see that it is possible to get money out of people at Christmas time, though only just. If you want your charity mentioned in More-over, just write and tell us. And don't forget the blank cheque. Happy Christmas, everybody.)

John Pugh looks behind the recent killing of a Seychelles opposition leader

Duel for the hand of Paradise

Last month, on Friday, November 29, Gerard Hoareau was assassinated in a London suburb. Hoareau was leader of the Seychelles Mouvement pour la Résistance, a party in exile dedicated to overthrowing the present Seychelles government and to restoring democracy in these tiny, beautiful islands.

James Mancham, the first president of an independent Seychelles, was deposed on the eve of the Commonwealth Conference in London in 1977.

When Mancham had left the Seychelles capital, the airport was flooded, the guard of honour looked smart, the band played, ambassadors and others stood about. At the foot of the aircraft steps Albert René, the prime minister, embraced his president. Mancham subsequently called this action "the kiss of Judas".



Contest to the death for the 'Garden of Eden'... the assassinated politician Gerard Hoareau (left), Mad Mike Hoare and Albert René (right).

For Mancham never came back. The following night Albert René, helped by Tanzanian arms and mercenaries, took over. The coup was virtually bloodless - three Seychellois deaths and a number of deportations, mostly of policemen.

René set about making the Seychelles a model socialist state. Like others before him, he genuinely believed that his coup would be greeted with relief by an adoring population. He was wrong.

René had misjudged the strength of political loyalty to Mancham just as the British government, in the run-up to independence, had misjudged the political intransigence of René.

Prior to independence in 1976, two political parties battled for supremacy. One, presided over by René, was loud in its demands for independence; the other, led by Mancham, was content to remain an appendage of the Crown.

The elections divided the population fairly equally. The British government, anxious to hustle every without delay, persuaded the two parties to form a coalition and to enter statehood as a republic. Mancham was to be president and René prime minister.

The arrangement suited neither very much, but while Mancham looked on the bright side, René secretly made plans. He was given leave by Julius Nyerere to train a small band of commandos in Tanzania. Less than a year later, on a dark and moonless night, his forces landed from the sea and quickly captured every strategic position.

René embarked on a policy of free education, state welfare and equal opportunity under the benevolent supervision of a one-party state. The policy produced some gratifying results, but it cannot be said eight years later to have been a great success.

In time, the centre of René's anxiety moved overseas. There were soon many threatening techniques which in Kenya, Britain, France and Australia. Like the White Russians,

they talk constantly of a return to their homeland, and increasingly plan counter-coups. Unlike the White Russians they actually mount serious attempts to carry them out.

As René's alarm grew, additional companies of Tanzanian troops were brought from Dar es Salaam. They remained in the Seychelles until Tanzania's meagre exchequer could no longer stand the strain. They have now been replaced by North Korean troops.

Mancham himself was vigorous in his plans to return - a day before René's security machine was properly installed, when he might have succeeded. But he got cold feet.

There have been attempts to depose René - the best remembered being the somewhat inadequate effort of Mad Mike Hoare in 1981. The French influential in the Seychelles was involved in another abortive attempt.

The major difficulty facing a leader of a coup is an obvious one - of raising the element of surprise. The Seychelles are heavily guarded islands, one thousand miles from

the large middle class in the Seychelles had no appetite for equality and distrusted the young Marxist ideologues with whom René surrounded himself. State supervision became increasingly less benevolent. Those who continued to speak out against the régime were deported or forced to flee. Others were put in jail, and some disappeared in mysterious circumstances.

René was acutely dismayed at the continuing opposition to his socialist dream. He sought to induce dissidents to co-operate. Gerard Hoareau himself was given the post of chief immigration officer. Although a less influential post than that of undersecretary in foreign affairs, which he held under Mancham, it was better paid. But Hoareau, like others of his ilk, continued to show active opposition until he was imprisoned and then deported.

whole of Soviet territory could be covered effectively.

Dr Leggett, national co-ordinator for a newly-established information centre on nuclear verification called Veritic, also points out that verification need not depend on seismology alone. For instance, if the Russians wanted to build a secret new underground site to test even a small weapon, they would have to excavate an area the size of the largest Egyptian pyramid at a depth of more than one mile. An engineering operation of this size would be easily detectable by satellite.

The new technique, as explained by Dr Jeremy Leggett, a geologist from Imperial College, London, involves monitoring at higher frequencies than traditional in seismometers deployed at sites where interference from background earth noise is low. This enables the seismometers to distinguish between an explosion and an earthquake. One of the main ways of disguising a nuclear explosion is to mask it in the tail of an earthquake.

A pilot station in Norway, known as Norss, has been in operation since last year and has monitored low-yield Soviet tests from as far away as the Caspian Sea area. British and American scientists argue that, if between 15 and 25 seismometers were deployed inside and around the Soviet Union, the

reason for its present opposition to a resumption of the test ban talks which were broken off by the Americans in 1980.

Five years ago, there were grounds for arguing that existing verification procedures were inadequate, although this fact did not prevent the three powers from almost reaching agreement on a draft treaty.

Since then, however, the potential for identifying clandestine tests has increased considerably as a result of a new monitoring technique which makes it impossible to hide a significant explosion.

Despite assertions from such authorities as Dr Jack Evernden, of the US Geological Survey, that "there is no technical obstacle to the negotiation of a verifiable CTBT", the American and British governments continue to cite verification problems as the reason why they oppose a resumption of CTBT negotiations.

It was an argument they deployed when they found themselves isolated at the 130-nation review conference of the 1970 Non-Proliferation Treaty in Geneva last September when all the other participants called for a resumption of the CTBT talks before the end of this year.

Old arguments that only help the Russians

The Soviet Union's announcement yesterday - that it would open its nuclear test sites for foreign inspection if the United States agrees to join a permanent ban on nuclear testing - is an attempt by the Kremlin to regain the political initiative following last month's summit meeting.

In particular, the Soviet Union is trying to build up maximum pressure on the US in advance of the January 1 deadline for ending the unilateral moratorium on testing which Gorbachev announced last July. The Kremlin has said it will extend its freeze on underground testing into 1986 if the US agrees to do the same. But this offer has already been firmly rejected by Washington.

The Soviet Union has been playing its test ban card with considerable skill. Its announcement in July attracted widespread applause, particularly among non-aligned countries, and was noted approvingly at last autumn's review conference of the Non-Proliferation Treaty. The US has been perceived as opposing a move which would be an important step towards halting the arms race.

The official reason the Americans give for their refusal to halt testing is that there are no effective means available to ensure the Russians don't cheat. Britain, the third party in the bilateral negotiations for a comprehensive test ban treaty (CTBT), also cites verification as the

whole of Soviet territory could be covered effectively.

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Timothy Renton, the Foreign Office minister responsible for arms control issues, reiterated the point in the Commons the other day when he told a questioner: "We are not yet

convinced that verification developments can lead to a foolproof test ban system."

These doubts are not shared by Opposition leaders, or even by some Conservative MPs, who feel the government is being unnecessarily rigid on this point. Denis Healey and David Owen, among others, have urged Britain to take the lead in pressing for a resumption of the test ban talks. They believe British reluctance to do so is essentially political.

Britain appears to be deferring to the wishes of the Americans, who do not disguise the fact that they need to continue testing in order to complete President Reagan's modernization programme, particularly the MX missile. The Midstream mobile missile and "pop-up" X-ray laser weapons associated with the Star Wars space defence plan. And Britain will almost certainly have to carry out tests of its own when the new Trident submarines, equipped with the multi-warheaded SS-5 missiles, start coming into service.

The Anglo-American refusal to resume talks has allowed the Soviet Union to gain some moral advantage in the continuing propaganda war between East and West. Moscow has said repeatedly that it is ready to resume CTBT talks at any time. Britain and the US insist that they are not.

Nicholas Ashford
Diplomatic correspondent

moreover... Miles Kingston

Free slips come sailing in

Christmas is a time for celebration, a time for laughter and giving. A time for gaiety and fun (writes the Rev. J. C. Busby). It's the time for children, for presents, for the sounds of happiness and merriment. It's the season when we can all put off our cares and woe for a while and get together for the good old simple pleasures of life. (How I hate these clergymen's opening paragraphs, writes Lord Andrew. You can always see the big fat coming.)

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Indian voters give Rajiv's party mauling across the nation

From Our Own Correspondent, Delhi

Results from this week's state and national elections show that the country's ruling Congress (I) Party has suffered an erosion of votes all across the nation. Although it won four of the seven by-elections to the Lok Sabha, the lower house of the national Parliament, its vote slumped in all the contests, from Rajasthan in the west to Upper Assam in the far north east.

Even though the Congress candidate in South Delhi was the popular and well-known former Governor of Punjab, Mr Arjun Singh, who has recently been appointed a Cabinet minister, the party's majority dropped from 80,000 this time last year, when Mr Lali Maken was elected (he was later assassinated by Sikh extremists) to 30,000 this time.

The party's worst result was in Kishanganj seat in Bihar, where a Congress majority of more than 100,000 votes was turned into a Janata party majority of 73,718.

In Assam the party has been badly mauled. Although it is still too early to say whether the newly-formed Asom Gana Parishad (Assam People's Council) will have an overall majority, it is plain that

Congress has been humiliated. Out of 105 of the 125 seats declared by last night, the AGP has won 55, and Congress (I) only 21.

The Muslim-dominated United Minorities Front, also newly-formed but created to protest against the Assam Accord, was the third largest party with 12 seats. The front declared that it would not co-operate with anybody supporting the accord over the foreigners issue. That effectively seemed to rule out any possibility of Congress (I) putting together a coalition to keep the AGP out of power.

None of the AGP members has any administrative experience. The party was formed by leaders of the student agitation against the presence of foreigners in the state.

The secretary general of the UMF, who was one of the winners, Mr A F Ghulam Osman, spelled out again his party's commitment to continue its struggle against the accord both inside and outside the legislature.

He appealed to the minorities to resist what he called "sectarian, racial and inegalitarian assaults" on them.

Sikh pact leads to clashes in Delhi

From Michael Hamlyn, Delhi

The processional heart of Delhi was briefly cut off from the rest of the city yesterday as thousands of farmers from the state of Haryana defied the authorities to protest against the accord with the leaders of the Sikhs which brought peace and elections to Punjab. Teargas and a baton charge were used to restrain the demonstrators.

The protest was the first sign of what threatens to be a long drawn-out war against the agreement by the people of the Hindu-dominated state, who resent what they see as the selling out of their rights to placate the Sikhs. Several thorny issues between the two states remain the subject of special commissions to which they were referred under the accord. When the commissions report, further agitation may be expected.

Haryana still has not reconciled itself fully to the loss of Chandigarh as its capital (it has held it jointly with Punjab since Hindu Haryana was lifted off from Greater Punjab) and a proposal to exchange it for two other Hindi-speaking villages has not yet been agreed.

Yesterday's demonstration was held at the junction of the Raj Path (which used to be known as King's Way) and the roads leading to the Parliament building. The farmers marched towards Parliament from Old



One of several clashes near the Delhi Parliament yesterday between police and Hindu farmers angry over the accord with Sikh leaders.

Delhi carrying placards and shouting slogans, and then, in the jargon of active politics here, "courted arrest".

The police obliged those courting arrest by briefly detaining as many as 10,000 of

them, and firing tear gas to break up the demonstration. Later Opposition leaders in Parliament staged a walk out of the Upper House, the Rajya Sabha, or States Assembly, protesting at the central Government's neglect of Haryana's interests in the aftermath of the Punjab agreement. Mr S. C. Mohanta of the Lok Dal demanded that the state be given 10 billion rupees (£600 million) to build itself a new capital. Then he led his colleagues out of the chamber.

Quebec's Liberals swift to cut taxes and go for growth

From John Best, Ottawa

The new Liberal Government of Quebec, in office only six days, has introduced a budget that cuts personal taxes and tells investors - in the words of Mr Gerard Levesque, the Finance Minister - that Quebec wants to be more competitive again.

About 700,000 Quebecois with taxable incomes of more than Can\$17,360 (about £8,600) are expected to benefit from the reduction in individual tax rates. For a family of four with an income of \$30,000 the saving will be \$548.

The budget abolishes the province's 9 per cent sales tax on life insurance premiums, as well as 10 per cent surtax on petrol, diesel oil and propane gas sold in outlying areas.

Most of the measures had been promised by the Premier, Mr Robert Bourassa, during the campaign leading up to the election on December 2 which brought the Liberals back to power and ended the nine-year reign of the leftist Parti Quebecois.

The measures mean Quebec will no longer be Canada's highest taxed province, which dubious distinction now belongs to Manitoba.

Expenditure is to be cut for the rest of this fiscal year, ending March 31, to reduce the budgetary deficit by \$90 million to \$3.145 billion.

Mr Levesque told the National Assembly: "This statement will be a definite signal to

investors that there is a change in the new Government's approach to economic and financial matters, that we want to put the emphasis on economic growth and employment. We want Quebec to be more competitive than ever."

The speech was in tune with the businesslike orientation the Government has struck since it took office on December 12. More than half the 28 members of the Cabinet have business backgrounds.

Four days after the new ministry was sworn in Ms Lise Bacon, the Vice-Premier, declared in the Government's inaugural address: "The state is no longer and will no longer be as much as before the driving force of social change."

The business theme accompanies renewed emphasis on Quebec's place in the Canadian Confederation. A separatist philosophy animated the Parti Quebecois through most of its time in office, though not at the end.

The most eloquent symbol of the new-found spirit of federalism is the return of the Canadian flag to its former place by the Speaker's chair in the Assembly. Mr Bourassa has made clear that he wants to move swiftly to open constitutional negotiations with the Federal Government. Predominantly French-speaking Quebec did not adhere to the new Canadian constitution.

Court rules for snap election

Aquino campaign draws crowds

By Our South East Asia Correspondent

More than 20 million Filipinos will go to the polls to elect a new president on February 7 following a Supreme Court ruling that yesterday swept aside constitutional objections to the election.

The Manila court ruled 7 to 5 in favour of upholding the Bill giving effect to the snap election called by President Ferdinand Marcos in a bid to extend his 20-year rule until 1992.

Opposition politicians and lawyers appealed to the Supreme Court to halt the proposed poll on the grounds that it defies the country's 1973 constitution, which requires the President to resign before voting takes place. President Marcos has submitted a post-dated letter of resignation that will only take effect if he loses.

Judges leaving the secret court room hearing agreed "the election will go on," which is just as well, as the leading contenders are well into their second week of campaigning.

Mrs Corason Aquino, aged 52, the main opposition candidate and her vice-presidential running mate, 37-year-old Mr Salvador Laurel, were reported to be drawing big crowds on the southern island of Mindanao. Mrs Aquino, widow of the murdered opposition leader Mr Benigno Aquino, slain on the tarmac at Manila airport two years ago on his return from exile in the United States, is a self-confessed political novice, but her charisma might achieve the biggest upset in Filipino politics since independence 40 years ago.

Mr Homobono Adaza, opposition MP for the Mindanao Alliance Party, greeted the court decision with the words: "This is a time for national rejoicing."

In the meantime, the election is in full swing. Mr Marcos, aged 68, and not in the best of health, has made two early forays into the countryside and said on the hustings that an opposition victory would bring 10 years of dangerous instability, "which may be worse than the present bloodshed."

Some 5,000 people have died this year as the 17-year-old insurgency by the communist New People's Army intensifies, and the need to step up the Government's efforts to halt the slide towards civil war has been cited by President Marcos as the key factor in his decision to seek a fresh mandate 18 months before his term expires.

Woman gets artificial heart

Minneapolis (AP) - The first woman to receive an artificial heart was in "critical but stable condition" yesterday after surgeons implanted a smaller version of a device previously used in men.

The patient, a secretary aged 40, was gravely ill from an infection of the heart called viral myocarditis, an administrator at the Abbott-North-Western Hospital, said.

"The surgery for implantation was successfully completed earlier this morning. The patient is currently being monitored post-operatively," she said.

"Without immediate intervention she had no opportunity for life."

The woman, who had no history of heart disease, was admitted to the hospital late Tuesday and her condition continued to deteriorate. Her name has not been released at her family's request. She will keep the device until a human heart can be found.

The artificial heart is 30 per cent smaller than the plastic-and-metal Jarvik 7 pump used in male patients.

The hospital said it was the first time surgeons had used the smaller device, which can fit into the chests of patients weighing less than 150lb.

Governor is cleared in fraud trial

New York - The Governor of Louisiana, who made \$2 million (£1.4 million) out of a hospital building enterprise, was freed yesterday after the jury failed to agree at his trial on fraud and racketeering charges (Trevor Fishlock writes).

Mr Edwin Edwards, aged 58, maintained that he had done nothing wrong in making the money. He described the outcome of the three-month trial in New Orleans as a vindication. As his supporters cheered loudly, he said he would run for a fourth term as Governor in 1987.

The gum-chewing Governor, whose happy-go-lucky demeanor and wisecracking stories of his gambling exploits brightened the court proceedings, said at a press conference: "How sweet it is... I have just won the most important election of my life."

The Governor and four other men, including his brother, were alleged by the prosecution to have profited from a hospital development scheme approved in 1982-83 when the Governor was out of office. The prosecution said it was a bribery case. Mr Edwards said it was a political vendetta.

Expelled doctors protest at 'brutal resettlement'

From Charles Harrison, Nairobi

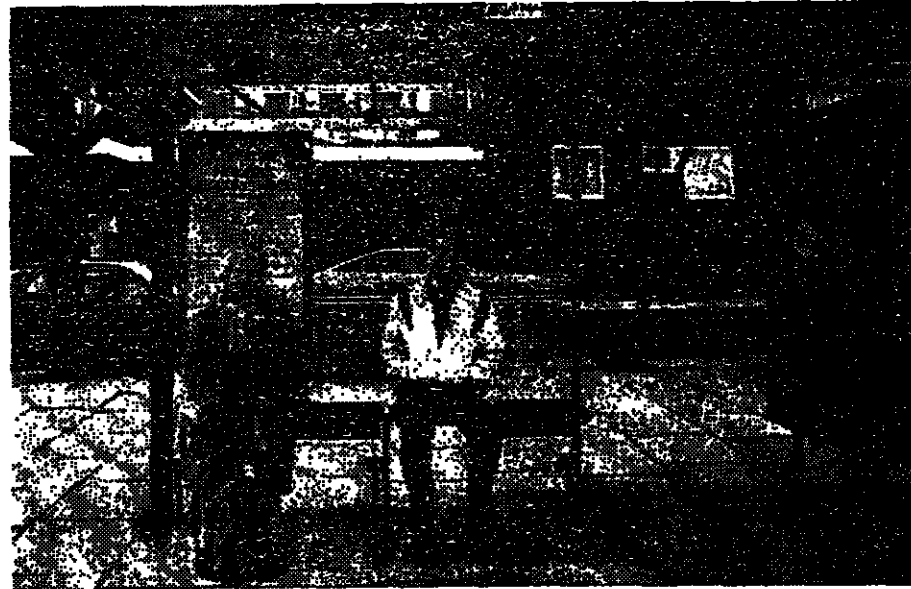
Leaders of the French Frontiers, Médecins Sans Frontières, which has been expelled from Ethiopia after criticising the Ethiopian Government's programme of mass resettlement, said here yesterday that they could not remain silent when official Ethiopian policies had killed at least 100,000 people.

Dr René Brauman, president of Médecins Sans Frontières, and its Director, M Francois Charbon, told a press conference here they had not criticized the resettlement idea, but had objected to the programme being carried out in an inhumane and brutal manner that had caused thousands of deaths.

Dr Brauman said the Ethiopian authorities for months had refused them permission to open feeding centres, which were vitally needed to save lives among famine victims in Wollo province.

"It was clear that the resettlement operation was the Government's number one priority, and they were not concerned with saving lives," he said.

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giving all the facts and figures.



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David Bayliss, Director of Planning, London Regional Transport, 55 Broadway, London SW1 0BD.

Blacks now account for almost half of South Africa's police force and are being used as a buffer against the violence

Easy targets who hold the frontline

During the 15 months of unrest, black has killed black and many victims have been police, councillors and "collaborators", reports Michael Hornsby

"Kill A Cop For Jesus" - proclaimed one of the more eye-catching graffiti slogans in the Cape Peninsula's turbulent mixed-race "coloured" ghettos, accurately catching the mixture of revolutionary fervour and religious sentiment that is an explosive element in the anti-government turmoil sweeping South Africa.

The anonymous author of this murderous injunction is at least as likely to have had a black "cop" in mind as a white one. The systematic way in which black members of the state's security and administrative apparatus have been singled out for attack has been one of the distinguishing features of the past 15 months of unrest in which more than 900 people have been killed in black townships across the country.

Black policemen and township councillors are at the top of the list of "collaborators" in the eyes of the angry and militant young blacks who have taken over effective control of many of the ghettos and regard any form of association or co-operation with "the system" as a betrayal of the cause of liberation.

Elaborate legal controls, as well as the enforced geographical separation and isolation of many African townships, limits the capacity of blacks to strike out at white authority beyond their own communities. In past outbreaks of revolt, administrative buildings manned by white officials, schools and buses were the main targets.

In striking directly at blacks in the state machinery, the latest generation of youthful would-be revolutionaries have not only found a target that is accessible, but are also undermining a vital pillar of the government's increasingly sophisticated divide-and-rule strategy: the inclusion of non-whites in the lower echelons of the state apparatus where, it is hoped, they will act as buffers between the white elite and the masses.

6 There are too few whites to meet police requirements

Blacks now account for almost half the authorised establishment of the police force. At mid-1984 this stood at 45,961 men and women, of whom 22,964 were black, mainly Africans, but also Coloureds and Indians. Whites still dominate the officer corps, but as of May of this year there were 67 black officers, two of whom had attained the rank of colonel. Of the 830 police stations in South Africa, 64 in black rural and urban areas were said to be manned and run entirely by blacks.

The police force has shown much less caution about arming the non-white racial majority than the military, which has not recruited blacks on any scale except in South Africa-occupied Namibia where some 60 per cent of the troops deployed along the Namibian-Angolan frontier are now drawn from the local population.

The high level of black recruitment by the police is partly a matter of straightforward demographic arithmetic: there are simply not enough whites available to meet all the government's growing military, police and economic manpower requirements.

The unrest in the townships has put a severe strain on the police. Some 6,000 policemen, according to the Minister of Law and Order, Mr Louis Le Grange, have had to be diverted permanently from normal police duties to combat unrest. The railway police, an autonomous force normally used mainly for guarding harbours and airports, border police and the army have all had to be deployed in support of the regular force in the townships.

If the growing reliance on blacks to make up police numbers - the force is to be expanded by 11,000 men over the next year and a half - has its dangers from Pretoria's point of view, there are



Ready for attack: a black policeman reports for duty

also advantages. Direct confrontation between white and black can be minimized by delegating the task of enforcing the law in African, Coloured and Indian areas to policemen of those race groups. Inter-tribal rivalry can even be exploited, as appears to have happened in the Eastern Cape earlier this year when Zulu police units were alleged to have been brought in to put down unrest in an area predominantly populated by Xhosa.

Hitherto, the police force has found little difficulty in attracting black recruits. This is not particularly surprising. For a would-be upwardly mobile black, particularly if he comes from a rural background with only a primary school education and no legal permit to be in a "white" urban area, South Africa's apartheid society is not exactly bristling with career opportunities. The police force is one of the few channels of advancement on offer,

all the more so at a time of recession and high unemployment.

The police recruit's pay - blacks are paid on the same scale as whites - is likely to be substantially better than anything he would be likely to command on the open job market, quite apart from such perks as virtually free housing and medical care, paid leave and a pension on retirement. There is also status. A black policeman handing out a speeding ticket to a white motorist is one of the rare examples in South Africa of a black exercising direct authority over a white.

Black policemen live in the townships they serve. They are a link in the government's intelligence network which keeps tabs on black political activists through paid informers and spies who infiltrate black organisations. Although they have been occasional targets of anti-government violence in the past, it is only in the last year or so

that black policemen have been singled out in a quite deliberate way.

According to a recent statement by Mr Le Grange, 27 policemen (so far as is known none of them white) have been killed since serious unrest began in September, 1984, and over the same period the homes of 550 black policemen have been destroyed, many in petrol bomb or hand grenade attacks. The families of 100 policemen are still being temporarily housed in tents.

Separate figures collated from press reports and police bulletins by the South African Institute of Race Relations (see tables) only show 18 police deaths up to the end of October. Whichever is the right figure, life has clearly become much more uncomfortable for black policemen. There is no doubt about the hostility they arouse in many township residents. "They live with us, they drink with us in the shebeens and then they come and kill us", Ernest Moni, an angry, jobless black youth in Langa, near Uitenhage, told me.

Township councillors are the other main target of popular wrath. The government set up councils in the townships, partly to distance itself from local administration of the non-white population, partly as a substitute for real black political rights. They are supposedly autonomous elected bodies, but the turnout at elections has often been less than 10 per cent and almost never more than 20 per cent.

Built as dormitory satellites of "white" towns, the townships have few amenities and no financial resources of their own, other than what is exacted from their residents in rent and charges for water, electricity and other, usually completely inadequate, services. The main task of the hapless township councils is to implement increases in rent and other payments decided on by the white authorities.

6 Suspected informers are bound, beaten and set alight

Proposed rent increases were the trigger which detonated violence in Sharpeville and the other Vaal Triangle townships south of Johannesburg in September of last year. More than a year later, some 350,000 residents of six of these townships are still refusing to pay any rent, a loss to the government of rands two million (£540,000) a month.

Four councillors, including the deputy mayor of Sharpeville, were hacked, stoned or beaten to death in that first week of riots. There is no exact record since then, but at least 12 councillors in different parts of the country are known to have been killed to date. Scores have seen their homes destroyed, and at the time the state of emergency was imposed on July 21 at least 250 councillors across the country were known to have resigned.

Nor are these easily identifiable symbols of "the system" the only targets of black anger, which can be directed at anyone held to be co-operating with apartheid. People suspected of being anti-government activists, many of whom are housewives violating consumer boycotts of white shops, or schoolchildren who sit end of term exams in defiance of school boycotts, all run the risk of what is known in township parlance as the "necklace", a rubber tyre placed round the bound or beaten victim's neck and set alight.

In response, township councillors in some areas, apparently with the approval of the local police, have formed their own vigilante squads which are suspected of the murder of anti-government activists, many of whom have also died in feuding between different black political factions. Pinpointing direct blame for the killings in the increasingly murky currents and cross-currents of township violence has become almost impossible.

SOUTH AFRICA'S DEATH TOLL

The exact number of people killed during unrest in South Africa over the past 15 months is not known. Many deaths, especially at peak periods of unrest, may have gone unrecorded. Official police figures often differ sharply from those given by black community leaders.

In the case of black-on-black killings, a marked feature of the unrest, political motivation is not always easy to separate from the purely criminal. There are also many mysteries - including some blacks whose death or disappearance is widely blamed on government agents or sympathizers.

The figures in this survey should be taken as an estimate only. They are based on statistics compiled by the South African Institute of Race Relations from police bulletins and reports in the local press, supplemented by *The Times*'s own records.

The figures show that 149 people died in the last four months of 1984 and 816 from January 1 up to December 10 of 1985 - a total of 965 over the whole period, all but a handful of them blacks, Coloureds or Indians. Almost all the violence has been contained within the township ghettos set apart from white towns for habitation by

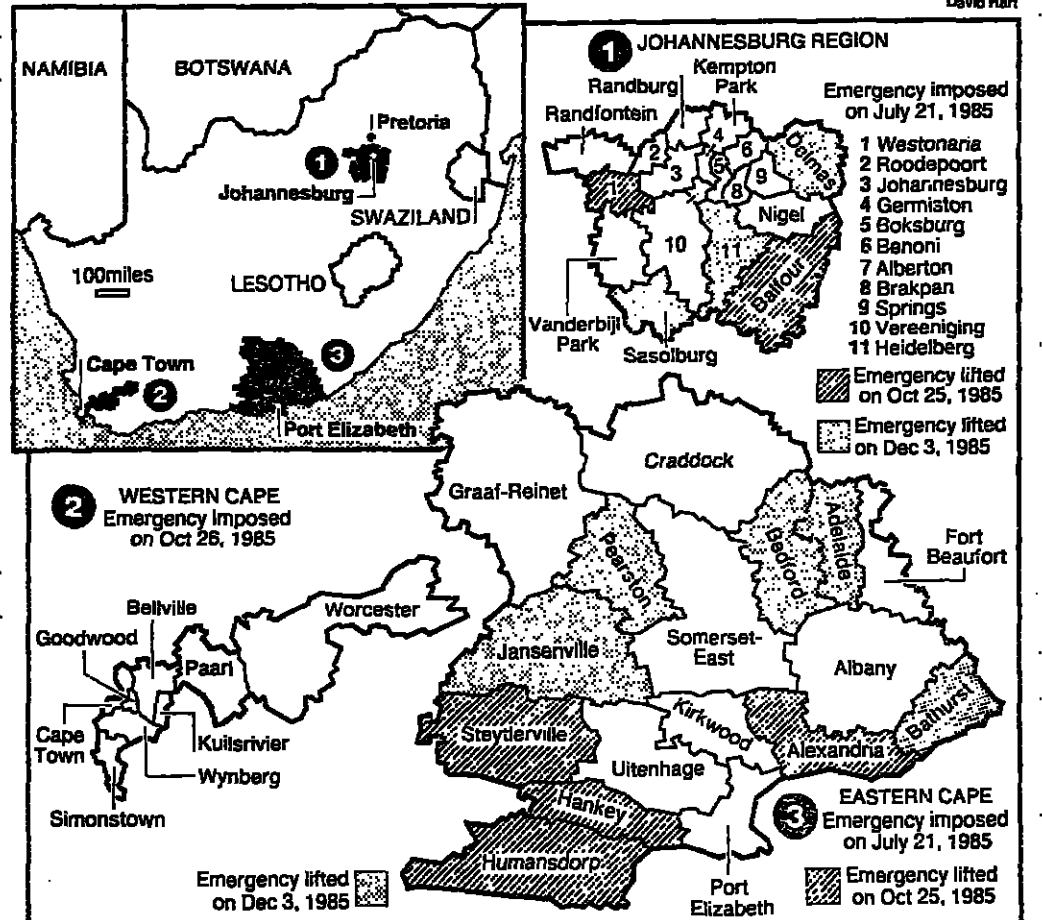
non-whites. September 3, 1984 when rumours of rent increases triggered serious riots in Sharpeville is taken as the starting date. Of the 175 deaths in the whole of 1984 only 26 occurred before September.

Some 52 per cent of the deaths were caused by police action, and 28 per cent were residents of townships killed by other residents, often in feuding between different political factions. A detailed breakdown of who has killed whom is available up to the end of October and given in separate tables.

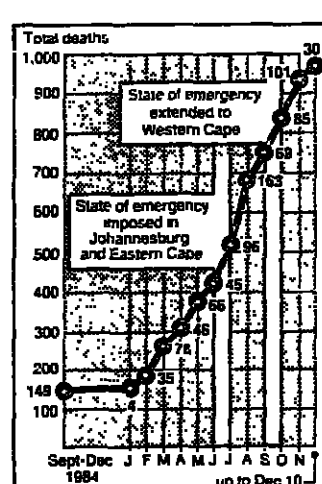
In November, the first full month since the government imposed restrictions on television and press coverage, which was said to be stimulating unrest, there were 101 deaths, the second highest monthly tally this year.

The worst single month of violence was August when 163 people died, about half of them in clashes in townships near Durban between rival political groups.

The worst cases of police excess were the shooting dead in March of 21 mourners on their way to a funeral at Langa, in the Eastern Cape, and the killing of at least 13 people in November when the police opened fire on predominantly peaceful demonstrators, many of them women, in Mamelodi near Pretoria.



CATALOGUE OF KILLINGS



Who killed whom Sept 1 to Dec 31 1984	
Blacks killed by police	79
Police killed by township residents	17
Residents killed by residents	1
Whites killed by blacks	1
Accidental	13
Unknown assailants	38
TOTAL	149

Who killed whom Jan 1 to Oct 31 1985	
Blacks killed by police	390
Police killed by township residents	17
Police killed by guerrillas	1
Troops killed by township residents	1
Residents killed by residents	201
Blacks killed by white civilians	2
Whites killed by blacks	4
Guerrillas killed by police	24
Accidental	24
Unknown assailants	71
TOTAL	685

*These figures cover the whole of South Africa and not just emergency areas and up to Dec 10.

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Diplomat among the peaks

The party of Chinese tourists had taken a day out of their round-Britain schedule to sample the rugged delights of the Peak District National Park when they came across a notice.

The sign read "Moor Closed for Shooting" and was meant to ward off rambblers while the guns were out hunting grouse. However, the Chinese mistakenly believed it to mean that it was an open day and proceeded to discharge an ill-assorted array of weaponry from their baggage and began blasting away at almost anything that moved.

It did not go down very well with the landowner who was out with a party of invited guests across the valley trying to bag a brace or two of grouse when the illegal fusillade started up. Soothing that incident was an early lesson in rural diplomacy for Ken Drabble, the new chief



Ken Drabble: new chief ranger of The Peak Park, Britain's oldest national park. But that ability will be increasingly tested in the coming years as the pressure between the 40,000 people who live and work in the park's 542 square miles and the 20 million

day visitors a year continues to grow.

Traditionally the park has attracted the climber, the walker and the camper. But now there is increased demand which is bringing its own problems.

Says Ken: "On any given day at Mam Tor, near Castleton, we can have boys flying their remote control aeroplanes with hang gliders overhead which themselves are flying higher than the Tornados and Phantoms of the RAF which thunder along the valleys at 550ft on low flying exercises."

"Our main task is to enhance and conserve the beauty of the peaks while making them accessible to visitors." Ken Drabble was born 51 years ago in the town of New Mills on the western edge of the park but didn't experience his first taste of its delights until he was 14 and joined a Scout hike up Kinder Scout, the demanding bluff near the village of Hayfield. He was, he now admits, sadly equipped in an old hacking jacket, ex-Army boots and a trilby bought in a jumble sale. From then on, however, he was hooked.

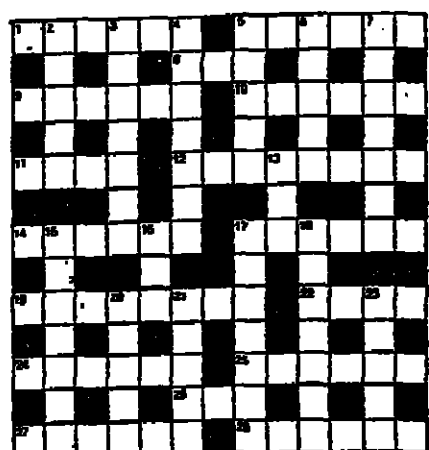
After National Service with the Royal Marines he returned home and joined the local mountain rescue team and his firm handshake now is that of a man who has hauled himself up some of the Peak District's most inhospitable terrain.

Now that he has, in his own words, exchanged a rucksack for a black leather briefcase, he is determined that he will not become totally office bound. "I want to make sure that I spend enough time out in the field to know what is going on. I don't want to get bogged down with paper-work", he says.

Peter Davenport

CONCISE CROSSWORD (No 831)

- ACROSS
- English horse painter (6)
 - Forceful flow (6)
 - Sleep (3)
 - Overnight case (6)
 - Symbols (6)
 - Arklelength dress (4)
 - Collarbone (8)
 - Bell tower (6)
 - Altitude (6)
 - Overnight case (6)
 - School snacks (4)
 - Express sorrow (6)
 - Stop (6)
 - Jog (3)
 - Snuggle (6)
 - Meddle (6)



- DOWN
- Jewelled headress (5)
 - Landowner's agent (7)
 - In outline (7)
 - Musical drama (5)
 - Synagogue minister (5)

- Furtiveness (7)
- Be rivals (3)
- Emot (7)
- Football umpire (3)
- Water valve (7)
- Meantime (7)
- Inactive (5)
- Eccentric (5)
- Hindu class (5)

SOLUTION TO No 830
ACROSS: 8 Burnt offering 9 Ode 10 Amazonian 11 Baton 13 Dowdly 16 Menander 18 Re-enforce 24 Ton 25 Highland fling
DOWN: 1 Absorb 2 Priest 3 Strained 4 Afraid 5 Zero 6 Bikini 7 Agency 12 Axe 14 Write off 15 Lec 16 Marsby 17 Average 18 Raring 20 Tint 21 Renage 23 Folk.

SATURDAY

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The Spectrum article on the finances of the Palestine Liberation Organization (December 9) first appeared in *Der Spiegel* magazine.

FINANCIAL SERVICES BILL

Investment industry is given self-regulatory framework

Introduction: The Financial Services Bill defines investments and investment business, requires persons carrying on investment business to be authorized and provides for their regulation. It also makes changes to the law on collective investment, listing of securities, offers of unlisted securities, and insider dealing.

The Government's objectives are:

Efficiency - the financial services industry of Britain should be able to provide services to industry and commerce, private investors and Government in the most efficient and economic way.

Competitiveness - the industry must be competitive both domestically and internationally. Regulation must stimulate competition and encourage innovation; it must be responsive to international developments and not a cover for protectionism.

Confidence - the system of regulation must inspire confidence in investors and investors by ensuring that the financial services sector is, and is seen to be, a "clean" place to do business.

Flexibility - the regulatory framework must be clear enough to guide but not cramp structural and other changes in the industry. It must have the resilience not to be over-run by events.

Transfer of functions

The Bill gives the Secretary of State for Trade and Industry powers to authorize and regulate investment business. Much of the Bill is concerned with these powers, which provide the framework for the new regulatory structure. However, it enables the Secretary of State to transfer the majority of his powers to one or more designated agencies.

Powers can be transferred only if the Secretary of State is satisfied that the proposed designated agency is able and willing to exercise them and that the agency's rules will provide an adequate level of investor protection, will comply with principles set out below and will not be anti-competitive to any extent greater than is necessary for investor protection.

The chairman and members of an agency must be appointed jointly by the Secretary of State and the Governor of the Bank of England. The transfer of functions will be subject to parliamentary approval.

Although the Bill provides for the possibility of more than one designated agency, it is expected that after Royal Assent, a single body will seek the transfer to it of powers under the Bill.

The Bill leaves many of the detailed requirements to rules and regulations. Most of these will be made by the designated agency.

Requirement to be authorized

Anyone who carries on investment business in Britain must be authorized or, in certain special circumstances, exempted. Doing business without authorization is made a criminal offence which could lead to fines and imprisonment. The offending business will also be unable to enforce its contracts.

The Secretary of State will be able to apply to the courts for an injunction to prevent a person from carrying on business without authorization or for an order (a "restitution" order) requiring it to repay any profits from carrying on such business and to meet any losses incurred by investors because of the way in which the business was conducted.

Methods of becoming authorized: There are five main ways of becoming authorized:

Direct authorization by the agency: The agency will itself be able to authorize "fit and proper" persons to carry on investment business.

Membership of a Recognized Self-regulating Organization (RSO): It is expected that most investment businesses will opt to join one of the practitioner-based RSOs which will be recognized by the agency under the Bill.

To qualify for recognition, an RSO will have to satisfy the agency that its rules and enforcement of those rules protect investors with protection at least equivalent to that provided by the agency.

If a recognized RSO fails to continue to meet the criteria for recognition, the agency will be able to apply for a court order directing it to amend its rules or to improve the enforcement of them so as to ensure that investor protection is brought up to the required standard.

Alternatively, the agency will be able to restrict the types of investment business regulated by the RSO concerned or, if necessary, remove its recognition altogether.

Membership of a professional body: Many professionals carry on some of investment business incidental to their profession. They are subject to the discipline of their professional bodies, and the Bill will allow

The Financial Services Bill contains most of the proposals made in the White Paper laying out a new framework for regulating the investment industry, which was published early this year. Following the White Paper, The Securities and Investments Board (SIB), chaired by Sir Kenneth Berrill, considered the regulation of investment institutions, while the Marketing of Investment Board Organizing Committee, chaired by Mr Mark Weinberg, looked at the selling of investments to the public. These boards are to be combined into a single body, the SIB, overseeing the regulatory framework contained in the Bill.

these bodies to apply for recognition.

Insurance Companies and Friendly Societies: There is a special regime.

Businesses from other member states of the EEC: If a business is authorized in another EEC member state which has an authorization regime providing equivalent standards of investor protection to that in Britain, and does not have a permanent place of business in Britain, then it is authorized to carry on investment business in Britain on a services basis.

Consequences of authorization

All authorized businesses (except insurance companies and friendly societies) are theoretically entitled to carry on all forms of investment business. But in practice, all SROs and professional bodies will be required to have "scope" rules which limit the investment business which their members carry on.

Exemptions from requirement to be authorized: There are certain restricted classes of person who are exempt from the requirement to be authorized. These include public bodies which perform investment business in the course of other duties; the Society of Lloyd's and its underwriting agents as far as investment business undertaken in connection with their insurance business is concerned; and exempt representatives (eg "tied agents") for whom an authorized business takes responsibility.

Recognized investment exchanges and clearing houses: The agency will be able to recognize an investment exchange, if it is satisfied that the exchange's rules and practices provide proper protection to investors whose deals are put through its facilities.

It will not be compulsory for all deals to be put through a recognized exchange - but the agency is likely to impose special rules for the protection of investors if they are not.

A recognized exchange will have to demonstrate that it has adequate arrangements for ensuring the performance of transactions effected on the exchange. These arrangements can be either in-house or made through a recognized clearing house.

Conduct of investment business

It will be a criminal offence to make a false or misleading statement with the intention of inducing someone to enter into an investment agreement or to engage in any act or course of conduct which deliberately creates a false or misleading impression of the price or value of an investment.

All investment businesses authorized by the agency will be subject to conduct of business rules. The Bill lays down the principles which the agency will have to make rules.

Recognized SROs and professional bodies will be required to have rules which provide investors with protection equivalent to that provided by the agency's rules.

The agency will be able to prohibit the employment in connection with investment business (except with its consent) of any individual who has shown himself not to be fit and proper to be employed in connection with such business.

If a directly authorized business breaches the rules, the powers open to the agency will be:

A public reprimand.

Withdrawal or suspension of authorization.

Application to a court for an injunction to prevent the breach or a restitution order requiring the business to repay any profits made through breaching the rules and to make good any losses investors have suffered as a result.

In addition, investors who have suffered loss as a result of a breach of rules by a directly authorized business or by a member of a recognized SRO or professional body will be able to bring an action for damages.

Powers of intervention

The agency will have powers to intervene in relation to a directly authorized person to protect investors. These powers include imposing restrictions on the kind of business which may be carried on, requiring assets to be kept in Britain and appointing a trustee to control the

assets of an authorized business.

Recognized SROs will need to have similar intervention powers, wherever possible, in relation to their own members.

Financial service tribunals: If the agency:

Proposes to refuse, suspend or withdraw authorization;

Proposes to issue a public reprimand;

Uses a power of intervention;

or

Proposes to ban an individual from being employed in relation to investment business;

The tribunal will investigate and report on the cases referred to it and the agency will be required to implement its decisions.

Investigation powers: The Secretary of State will be able to investigate any person who is or appears to be carrying on investment business (whether or not authorized). The agency will be able to investigate any authorized business. Both will have powers to obtain documents, and to question the business and people connected with it.

Prosecutions: Only the Secretary of State and the Director of Public Prosecutions will be able to prosecute criminal offences under the Bill.

Competition: All rules of the agency and of recognized SROs, investment exchanges and clearing houses will be examined by the Director General of Fair Trading, who will advise the Secretary of State whether they are anti-competitive. If they are, the Secretary of State will have to consider whether the anti-competitive effect is greater than is necessary for investor protection.

Reciprocity: The Secretary of State will be empowered to prevent a financial firm from doing business in Britain (in the banking and insurance as well as the investment sectors), if British firms are not given access to that firm's home market, equivalent to that provided by Britain.

Insurance regime

Insurance companies and insurance intermediaries who sell or give advice on endowment and unit linked policies will have to be authorized under the Bill. For insurance companies, however, there is a special route for authorization to take account of the existing requirements for the Secretary of State for Trade and Industry to supervise insurance companies under the Insurance Companies Act, 1982.

The Bill does not disturb this system, which is designed to safeguard the solvency of insurance companies in the interests of their policy holders. Insurance companies will be subject to rules made under the Bill on the marketing of investments - for example, rules on advertising, cold calling and cooling-off periods.

Friendly societies who also carry on insurance business, supervised by the Chief Registrar of Friendly Societies, will be subject to a similar regime. Independent life insurance intermediaries - brokers, insurance consultants - are treated in the Bill in the same way as other investment intermediaries requiring to be authorized and subject to rules made by a designated agency or SRO.

Collective investment schemes

The Bill reforms the regulation of unit trusts and other kinds of collective investment schemes.

Authorized schemes will be those capable of being promoted to the public and thus subject to closest control. Both the manager and independent trustee must, separately, be authorized as investment businesses. There will be powers to make regulations.

Public offers: The Bill brings together scattered provisions on public offers under one statutory roof.

Listed securities: The Bill replaces the Stock Exchange Listing Regulations 1984 which implemented, on an interim basis, the three EEC directives on listed securities. The Council of the Stock Exchange continues to be responsible, as competent authority for listing, for admitted

securities to and making rules on listing.

Definition of 'investments'

The term will cover: Stocks and shares in Britain or foreign companies.

Debentures including debenture stock, loan stock, bonds and certificates of deposits.

Government and other public securities including gilt-edged stock, local authority bonds and bonds issued by foreign governments and international organizations.

Warrants entitling the holder to subscribe for shares or bonds. Depository receipts for shares, bonds or warrants.

Units in collective investment schemes including units in unit trust schemes and shares in an open-ended investment company.

Options on currency and on any other investment.

Futures contracts for commodities.

Contracts for differences whose value is linked to the value of any kind of property or to an index (for instance a stock market index).

Insurance policies which are investments - such as endowment and unit linked policies - but not pure term assurance or policies which simply protect against risk - for example, most permanent health and credit protection policies and general insurance such as fire and theft.

Investment business

A person will be carrying on investment business, if as a business, he:

Buys and sells investments.

Arranges for others to buy and sell investments.

Manages investments belonging to others.

Advices others on their investments; or operates a collective investment scheme.

Exceptions: A person who buys and sells investments for his own account will not be carrying on investment business unless he does so to make a market in them, or he solicits people who are not themselves authorized to buy or sell.

Trustees who manage investments in their capacity as trustees will be regarded as carrying on investment business only if they are paid to manage the investments.

A person who gives investment advice purely as a consequence of advice on non-investment matters - eg a tax consultant advising a client to sell shares for tax reasons - will not be regarded as carrying on investment business.

Advice included in a bona fide newspaper (but not a tip-sheet) will be disregarded.

"Share shops" set up to help employees to exchange shares in the company or group which employ them will be excluded.

Conduct of investment business

The Secretary of State may transfer functions to an agency only if the rules that agency proposes to make will afford investors an adequate level of protection and comply with principles set out below.

Make proper provision for requiring an authorized person to act with due skill, care and diligence in providing any service which he provides or holds himself out as willing to provide.

Make proper provision for requiring an authorized person to subordinate his own interests to those of his clients and to act fairly as between his clients.

Make proper provision for requiring an authorized person to ensure that, in anything done by him for the persons with whom he deals, due regard is had to their circumstances.

Make proper provision for the disclosure by an authorized person of interests in, and facts material to, transactions which are entered into by him in the course of carrying on investment business or in respect of which he gives advice in the course of carrying on such business.

Make proper provision for the disclosure by an authorized person of the capacity in which and the terms on which he enters into any such transaction.

Make proper provision for the protection of property for which an authorized person is liable to account to another person.

Make the best provision which can reasonably be made for compensation or indemnity against claims incurred by authorized persons in carrying on investment business.

Require the keeping of proper records and make provision for their inspection in appropriate cases.



Meir Zorea is comforted by his father while Sister Carol Lyon carries out treatment at King's College Hospital, London, yesterday

Seoul steps up surveillance on a champion of freedom

From David Watts, Seoul

Mr Kim Dae Jung likes to joke that his house in Seoul is the safest in the capital after the presidential Blue House, so thick is the concentration of police and intelligence agents who keep his house under 24-hour surveillance.

But the past few weeks have been distinctly unsafe for the aides of South Korea's best-known political dissident: five of them have been taken in by police or intelligence agents for questioning. Usually they are released after a few days but some of them are beaten up.

"They want to check everything about me. They ask about my financial sources, my daily conversation and my son's role," says Mr Kim.

Not many visitors are allowed to get through to see him. Three busloads of supporters recently set off from the south. Two busloads were put under house arrest when they refused to give up the trip. The last load got through.

Three government cars stand near his house in the freezing snow ready to trail him whenever he leaves. Police boxes cordon off the area around his house.

Mr Kim has found the Government's attention more keenly focused on him since he recently entertained two high-ranking visitors from the State Department and the United States Embassy.

The Americans, he believes, are taking a lesson from the deteriorating situation in the

Philippines and moving to encourage a more open, democratic society in South Korea.

If so it will be none too soon for Mr Kim and other opponents of President Chun Doo Hwan's Government, who believe time is running out. A massive signature campaign for constitutional reform is being launched to try to prevent the presidency going to another retired general in 1988 when President Chun has said he will step down.

"The Americans have had a bitter experience in the Philippines. They don't want another Philippines in Korea. Only the Philippines and Korea have persistently fought for democracy in Asia and here we have now New People's Army. The opposition is united, not split as it is in the Philippines. We're seeking very healthy common goals, a Western democratic system with a free market and we're bitterly opposed to communism... where can they find better people to support? If they don't I fear we'll have another Vietnam here," said Mr Kim over a simple supper of rice, vegetables and shrimps in a backroom of his house.

Dressed in blazer and slacks he looks, well but suffers pain in his hip joints after a 14-ton lorry "accident" hit his car during election campaigning in 1987.

"The Korean people are determined to restore democracy at any expense. They will never be suppressed by a crackdown because there are many courageous people ready to go to prison for freedom of speech and local autonomy... the President controls the appointment of everyone from the Prime Minister to a village clerk.

"Even in wartime we enjoyed more democratic freedom than we do now. During the war the gross national product was \$60 a head, now it's \$2,000 dollars but we had more freedom when it was \$60. We've purchased our wealth at a great price. Westerners often believe that South Korea is 'Not ready for democracy' but, says Mr Kim, it now has a higher per capita ratio of students graduating every year than many developed countries including Britain. And in the past 1,300 years of the Korean nation only 100 years of that has not been under civilian rule. As early as the Yi dynasty, from 1392 to 1910 freedom of speech was protected.

Mr Kim, a Christian, has escaped death five times, four of them were attempts on his life at the hands of the Korean Government, he believes.

"My mind is so peaceful. There's no fear there. I pity their attitude. I do believe I will be victorious over them even if I die tomorrow, because I have dedicated my life to my people for freedom and justice. I'm happy to stay here with my people sharing their ordeal."

Ruling soon on Barbie challenge

Lyons (AP) - France's highest appeals court deliberated the last challenge to the prosecution's case against the Nazi war criminal, Klaus Barbie yesterday as a Lyons newspaper published excerpts from confidential judicial interviews with the defendant.

Barbie, aged 72, is awaiting trial here on charges of crimes against humanity for his activities as head of the Gestapo during the Second World War. The interview published in *Le Progrès* was not sensational and concerned his complaints about the lack of medical care in prison and a guard that visited his cell several times.

The court is expected to rule soon on a motion by lawyers for some of Barbie's alleged wartime victims who object to the exclusion by the investigating magistrate, Mr Christian Riss, of crimes against members of the French Resistance.

The case against Barbie, in its present form, involves the deportation of French Jews to German extermination camps. Incidents involving resistance members are considered war crimes because members of the underground were considered combatants. The statute of limitations has expired for war crimes.

If the court rejects the appeal, judicial sources say the trial probably will begin in early February. If the appeal favours the complainants M Riss would have to reopen his investigations, which could set the trial date back for several months.

The main case against Barbie involves the deportation of 55 Jews, 52 of whom were children from a children's home in Izieu on April 6, 1944.

"I have no recollection of this event," Barbie was quoted as saying in a 1983 interview. "I was not informed. I can say that with a clear conscience."

In another 1983 interview, he complained about his health. "I don't feel well. I have strong pains in my legs and feet. At night, I suffer in my spine."

In 1984, the newspaper quoted him as saying: "I suffer from numbness in the feet, inflammation of the legs and poor circulation."

Helicopter used in jail break

Pelzer, South Carolina (AP) - A helicopter hijacked by an armed woman landed in a prison yard near here yesterday and flew off with three inmates. A warden was shot in the ensuing gun battle, prison officials said.

The helicopter landed later about 10 miles away, and the inmates apparently fled in a waiting car.

Mr Hal Leslie, spokesman for the state's Department of Corrections, said the helicopter landed at 10am in the yard of the Perry Correctional Institution, a medium to maximum-security prison.

Warden fired several shots at the helicopter but were unable to bring it down. The name and condition of the wounded warden were not immediately available.

Mr Mitchell Shaw, of Palmetto Helicopters in Greenville, said a woman arrived in the morning to rent a helicopter. She hijacked the aircraft with a gun and then took off alone.

US tutelage ends for islands

From Michael Birn, Washington

President Reagan today is due to put a formal end to almost 40 years of US tutelage over remote islands scattered over thousands of miles of the Pacific Ocean.

After 16 years of complicated negotiation, Congress has approved a Compact of Free Association for Micronesia, recognizing the islands' right to self-government, but retaining vital US defence interests in the region. The President will sign the bill at a ceremony attended by representatives of the Federated States of Micronesia and the republic of the Marshall Islands.

Administration officials hope the agreement will be endorsed by the islanders. Similar self-government status is expected to be granted later to the Palau islands, also under US trusteeship. A fourth group, the Northern Marianas, voted in 1976 to become a common-

Camera-shy mourners turn out for godfather

From Trevor Fishlock, New York

Mafia Godfather "Big Paul" Castellano lay in an open flower-bedecked coffin in the funeral parlour. A steady stream of people passed by to pay their last respects. A number of large stern men in dark suits were in attendance.

Outside the funeral home a small squad of detectives scribbled busily, noting the licence plate numbers of the expensive cars and limousines which arrived bearing mourners.

Another detective took photographs as the respecters bowed their heads and shuffled into their dark coats and furs to avoid the lights of television cameras.

Several hundred people arrived for the wake at the funeral home in Gravesend, Brooklyn. Elaborate wreaths were delivered.

Mr Castellano, said by police to be head of the Gambino crime organization, the most powerful of the five Mafia families in New York, was murdered by three gunmen in Manhattan on Tuesday as he was about to enter a restaurant. His chief lieutenant, Thomas Bilotti, a possible successor, was killed with him.

Some police officers think Castellano's death may have been approved by leaders of the other four families. Most of the speculation and suspicion centres on a faction within the family led by John Gotti.

Clash in Karachi

Karachi (AP, Reuter) - A shopkeeper and two children were killed, 18 injured and 13 shops set ablaze in communal clashes here set off by the harassment of a girl, police said.

People fought with knives

US tutelage ends for islands

The agreement gives the islands an estimated \$2.4 billion in economic aid and certain tax and trade concessions over the next 15 years. Disputes with the Administration and in Congress over these concessions held up agreement on the long negotiations, which began during the Eisenhower Administration.

The US has also agreed to continue to provide medical care and food assistance to people exposed to radiation during some of the nuclear tests on Bikini atoll.

Birth go-ahead

Paris - A 20-year-old woman has been given permission by the French Ministry of Justice to be inseminated artificially with the sperm of her husband, who is serving a 20-year prison sentence.

Plane is diverted to save boy's life

An Israeli boy aged three was recuperating in a south London hospital yesterday after the airliner taking him to the United States for a liver transplant operation made a midnight emergency diversion to Heathrow Airport to save his life (Robin Young writes).

Meir Zorea, accompanied by his father and a doctor, was on a direct El Al flight from Tel Aviv to Pittsburgh when he started bleeding internally as the aircraft crossed western Europe.

Dr Yehozkel Weisman gave him a blood transfusion, but with the plasma on board running out asked the pilot to land the aircraft as quickly as possible in case the boy suffered a relapse. The plane was given permission to put down at Heathrow shortly after 4.00 am, and the boy was taken by ambulance to King's College Hospital.

Yesterday the hospital said that he was fully conscious and had stopped bleeding, but would be undergoing tests and receiving treatment before continuing his journey.

The boy's plight had captured public sympathy in Israel where liver transplants are not allowed because of religious legislation. The Israeli health ministry refused to pay towards a transplant abroad, but a public appeal for £100,000, guaranteed by several MPs in the Knesset, was oversubscribed within two days.

Doctors 'in plot to kill horses'

From Peter Nichols, Rome

Two doctors and a stable-hand have been arrested in Pisa and charged with complicity in a plot to kill 26 thoroughbreds with arsenic, according to Signor Nicola Pisano, the public prosecutor. Other charges include massacre of horses, drugging and attempting to drug them.

Two of the three, Professor Bernardo Pezzone and his son Giuseppe, are doctors working at Pisa's main hospital, and respected outside the racing world as well as by fellow horseowners. The third person, Enrico Galloppo, a stablehand, is accused of first drugging the horses and later killing them.

Signor Pezzone alleges that the motive for the crime was jealousy on the part of the two doctors at the success of the horses trained by Signor Ettore Pistone, former owner of the stable, and because a rival. This year his horses won 120 races. Of the 26 horses killed 17 belonged to him.

Camera-shy mourners turn out for godfather

From Trevor Fishlock, New York

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Time for Afrikaners to bury their dead and warn off ANC

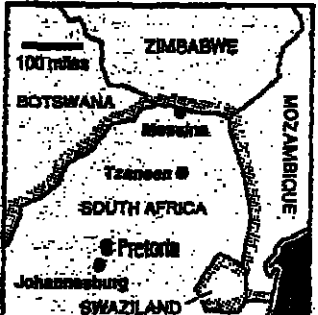
From Michael Hornsby, Tzaneen

In a year of countless funerals of black victims of the unrest that has swept South Africa, it was the turn of the country's ruling white tribe yesterday to bury its dead in this small market town in the Eastern Transvaal.

A soft rain fell as about 600 grim-faced mourners crowded into the cemetery by the rugby pitch, many silently crying to watch coffins containing the members of the Van Eck family, all victims of last Sunday's landmine explosion near the Zimbabwe border, being lowered into the ground.

There was a large brown coffin for Mrs Jacobus Van Eck, aged 34, and two small white ones for her daughter, Nelmarie, aged eight, and her son, Ignatius, aged two, which were placed together in a grave alongside her own. Relatives cast flowers into the graves, and the menfolk began shovelling in the earth.

Later Mr Dirk Van Eck, who escaped unscathed from the explosion which killed most of the rest of his family, had a



Afrikaans-speaking country and you must learn Afrikaans", one of the other mourners shouted.

At the church service before the burial, the Dutch Reformed Church minister, the Rev Evert Kock, appealed to the congregation not to forget God's message of hope. "Where the dead are now, they are safe. No land-mines, no terrorists can reach them where they are with their master."

The church will be packed again today for a second funeral service for three members of the De Nysschen family, a girl, aged three, and her brother, aged three, and their grandmother, aged 59, who were killed also in last Sunday's explosion.

Both families have lived and farmed in the Tzaneen area for many years. They had gone north last weekend to watch game on a farm a few miles from the Zimbabwe border. It was there that their light truck detonated a landmine on an isolated dirt track.

Foreign diplomats did not respond to a suggestion by South Africa's state-controlled radio that they should attend the funeral in view of their presence last month at a mass funeral for blacks shot by the police in the black township of Manzini near Pretoria.

The funeral also was notable for the absence for any senior Government representatives. Even Mr Tom Langley, the extreme right-wing Conservative Party MP, in whose constituency Tzaneen falls, was not seen.

A cousin of Mr Van Eck's, Mr Johan Van Rooyen, told journalists that the Government should take a tougher line with "black hooligans" or else people would take the law into their own hands.

Easy targets, page 8



Mr Dirk Van Eck being comforted by a member of his family after the funeral of his wife and children killed in a landmine explosion in South Africa.

Boesak passport rebuff

Johannesburg - An application by Dr Allan Boesak, a leading anti-apartheid activist and president of the World Council of Churches, for the return of his passport has been rejected by a judge of the Cape Town Supreme Court (Ray Kennedy writes).

Dr Boesak is on bail pending his trial, expected to be heard next May, on charges of subversion under the Internal Security Act which carry penalties of up to 20 years' imprisonment.

Last month a magistrate at Malmesbury in Cape Province ordered that Dr Boesak's passport be returned, saying it was most unlikely he would flee the country to avoid standing trial. But this decision was overruled by Mr Stoffel Botha, Minister of Internal Affairs.

Dr Boesak's application to the Cape Town Supreme Court for the return of his passport has been rejected with costs.

Cautious Shultz expects thaw with East to be only gradual

From Michael Binyou, Washington

Flushed from his outburst in Yugoslavia on terrorism, Mr George Shultz, the American Secretary of State, has reported to President Reagan on his first visit to Eastern Europe.

Mr Shultz, who expressed his sudden anger at the press conference with Mr Raif Dizdarevic, the Yugoslav Foreign Minister, by saying he was "speaking for the American people". He said he wanted people to see that the US felt very strong about terrorism. His denunciation has been well received here, especially by President Reagan.

He described the main results of his three-day tour as "educational". But he said he did not know whether it had advanced US interests. Though seen here as a result of the warmer East-West relations following the Geneva Summit

last month, Moscow can hardly have been pleased by the explicit attempt to encourage the independence of the Soviet line in Romania, Hungary and Yugoslavia.

His visit, which Moscow is likely to see as an attempt to sow division within the Warsaw Pact, distinguished between the relative independence in foreign policy and economic management of Romania and Hungary, and Moscow's staunch supporters such as Poland, East Germany, Bulgaria and Czechoslovakia.

Mr Shultz foresaw a gradual change in general East-West relations, but said it would be a slow, subtle and difficult process. The US could not influence that change much. "It's very much a question of what evolves in these countries," he said guardedly, clearly mindful of previous pressure from Moscow on those countries that

'Less hope than ever'

Beirut exodus of Christians

From Robert Fisk, Beirut

Outside the bakery in Nehme Yafet Street stood a large lorry, stacked with sofas, chairs, lamp-shades and pots, all soaked in the late winter rains. In the flat above the shop, the family were moving to east Beirut. The driver sat in the cab, chain-smoking. The baker was more explicit. Asked why the people were moving, he leant over the grubby counter and drew with his finger the sign of the Cross.

The Christians were going. It has been the pattern for weeks now. Greek Orthodox, Greek Catholics, mostly Maronites, several hundred a month - they have been leaving west Beirut, turning the western sector of the Lebanese capital into a Muslim enclave.

Sometimes, members of the family have been kidnapped - sometimes they have simply left for a few days and found their flats occupied on their return by a Muslim family. Often, they have been confronted by a reasonable, sophisticated man who offered a grotesquely deflated price for the property - in such circumstances, the Christians have taken the money and left.

There are no statistics. No government would attempt to define the sectarianism of its capital. But 200 Christian families a month are believed to be crossing to the east, driven out as much by fear of kidnapping as by direct intimidation.

As Beirut approaches its eleventh civil war Christmas, there is less hope than ever that the season of forgiveness and hope would maintain the tradition of non-confessionalism of which the middle-class Sunni Muslims of the capital are still proud.

The abductions are the primary cause. Earlier this week, a Christian gynaecologist - a Palestinian by birth - was shot dead in his own surgery. Popular rumour says he had performed an abortion. But his religion mattered most to those who read the reports in the morning papers.

A day earlier, in another rash of kidnappings on the front line, the Christian cameraman and Christian driver of the American National Broad-

casting Corporation office in Beirut were kidnapped by unknown men. Both have the reputation of being totally unbiased.

The Lebanese police, powerless to do anything except report the crimes they cannot hope to solve, said last night that 10 more Christians had just been kidnapped near the line, three of them women. Another three Christians were on their way to the international airport, whose approach road is controlled by Muslim militias, when they were abducted.

Unofficial reports say that the Christian population of west Beirut has dwindled from 200,000 to 50,000. If it is true, the figure is a disgrace. It is also painfully ironic at Christmas, when both Christian and Muslim communities celebrate Christ's birth, under the constitutional traditions of their country.

Through fear of abduction, most Westerners have left the Muslim sector of the city. Christmas, to all intents and purposes, is dead west of the old front line.

Obstacle to peace process in Mideast

From Christopher Thomas, Washington

The Reagan Administration believes the chance of an early revival of Middle East peace negotiations has been seriously harmed by congressional conditions on selling arms to Jordan.

It is, however, willing to accept the concept of an international peace conference. A senior official said the Administration's new willingness had come about because of "a better understanding today in the region and here, of possible ways of putting a conference together so it would be a successful event."

King Hussein has privately told the United States that his confidence in America has been undermined by a congressional ban on the sale of \$1.9 billion (£1.3 billion) of jet fighters and anti-aircraft missiles to Jordan before March 1 unless it begins direct and meaningful peace negotiations with Israel.

The King has told Administration officials that the congressional action casts doubts on the ability of the Administration to further the peace process and that the denial of arms had made other Arab leaders sceptical about the support he had from Washington for his efforts.

The Administration believes that although the Jordanian monarch's unhappiness with Congress will not destroy the peace moves, it will dampen any chance of significant movement for the time being.

"I cannot say it's going to destroy the process. I think it's going to slow it down and put it at risk," has affected his confidence in the Administration official said.

The King's frustration with the US has added to a widespread sense of scepticism in Washington about the ability of Israel, Jordan and the Palestinians to find a negotiating formula.

King Hussein's move towards improving relations with Syria after years of tension are seen by the Administration as an attempt to balance his relationship with the US. American officials do not believe the move represents any lessening of interest in negotiating with Israel.

In a year-end assessment the Administration official, who is directly involved in attempts to revive the peace process, conceded that contrary to expectations there has only been incremental progress this year. He insisted that time had not run out on the possibility of starting new Arab-Israeli peace talks.

Mugabe sacks his police chief

Harare - Mr Wiridzayi Nguvire, Zimbabwe's Commissioner of Police has been sacked for corrupt practices and two of the four deputy commissioners have also been dismissed for their involvement (Jan Raath writes).

Mr Robert Mugabe, the Prime Minister, said at a press conference that Mr Nguvire had been found by a commission of inquiry to have been responsible for gross maladministration, abuse of rank, misuse of government funds and property, interference in criminal investigation, and the corrupt disposal of drugs seized by police, including "several thousand" tablets of the banned soporific Mandrax.

Mr Mugabe said Mr Nguvire had sought "love relations" with policemen who had been transferred to remote locations when they rebuffed his advances.

Facing trial

Madrid (Reuters) - The Spanish Government granted the extradition of an Argentine ultra-rightist, Raúl Guglielminetti, to face trial in Buenos Aires over the 1984 murder of industrialist Emilio Naim.

Arson attack

Hagen, West Germany (Reuters) - A firm in this Ruhr town which manufactures parachutes for the West German Army suffered an arson attack which caused damage estimated at up to 10 million marks (£2.8 million).

Malta bomb

Valletta (Reuters) - Three policemen and a 12-year-old girl were injured when a bomb went off outside the window of a police station in Sliema, five miles north of here.

Bonner warned

Boston (AP) - Mrs Yelena Bonner, aged 62, wife of Soviet dissident Dr Andrei Sakharov, has been told by doctors that she does not need heart surgery and that a tumour removed from her hip was benign. But they said she must stop smoking, take drugs to increase the blood flow to her heart and take regular exercise.

Ice boy dies



Nine-year-old Jeremy Gihoni, who was rescued from an icy pond in Ohio after spending 45 minutes under water, was placed in a drug-induced coma at a Columbus hospital to reduce damage to his brain, but died later. In attempts to raise his body temperature, doctors used a heart-bypass machine.

Brothers stay

Stockholm (Reuters) - Sweden will let two teenage brothers who fled from Poland stay, despite objections by Warsaw. The Immigration Minister announced.

Dowry toll

Delhi (AP) - Thirty-two women were burnt to death in the Indian capital between April and October this year for failing to meet dowry demands by their husbands' families, the Minister of State for Home Affairs told Parliament. At least 80 people were arrested in connection with dowry-related crimes, but no charge had been made.

Walls of gold

Perth (Reuters) - Officials at the state mint in Perth said about 1,000 ounces of gold had vaporized during 86 years of refining, and the walls and ceiling would have to be smelted to separate the \$450,000 (£243,000) worth of gold from the brickwork. The factory is being relocated.

100 survive Philippines sea disaster

Manila (AP) - The US Navy said yesterday that 100 people had been rescued or sighted alive and about 70 bodies had been seen floating in the sea one day after an inter-island ship capsized south of Manila.

The Subic Bay US naval base north of Manila said that as of 10 am yesterday 70 survivors had been rescued, and "as many as 30 survivors" were waiting in the water to be picked up.

The bodies were seen floating at the scene of Wednesday's sinking of the Assamcom some 100 miles south of the capital, the US Navy said. It has been helping in the search for survivors and the recovery of bodies.

The Philippines Coast Guard said 75 passengers had been picked up as of 5 pm.

No official tally has available on the number of people on board the Assamcom when it sank while en route to Manila from the western island of Palawan. Coast Guard officials had said there were "more or less 200." The official Philippines News Agency had reported 197 people on board, including a crew of 15, not 50 as earlier reported.

A Coast Guard official said in a telephone interview that it was not known if there were any foreigners on board.

Captain Daniel Delgado, Coast Guard Chief of Staff, said there was no word on what caused the 152-ton boat to capsize and sink. Philippines boats generally are packed during the Christmas season.

He said four boats, two helicopters, a fixed-wing plane and more than 100 military personnel were involved in the search and rescue.

Two killed in ambush after truce

Kampala (AP, Reuters) - A former MP and a lawyer were shot and killed by men in army uniforms, relatives said yesterday, two days after the signing of a peace treaty to end Uganda's civil war.

The separate attacks occurred on Wednesday night in Kampala. The victims were identified as Mr Francis Kasuura, a former MP representing the Democratic Party, and a lawyer, Mr Joshua Bwanika.

A businessman riding in the car with Mr Bwanika was seriously wounded.

Residents in the Wakiso area, 10 miles northwest of Kampala, reported that army troops have been robbing townspeople since the Government and the National Resistance Army guerrillas signed a peace treaty on Tuesday.

The Kampala newspaper *Munira* reported that rampaging army troops killed 30 people last week in the Mpigi district, 30 miles west of the capital.

Munira, which is supported by the Roman Catholic Church, said the Government troops looted homes, raped women and pushed people into houses which they had set on fire.

The peace treaty signed in Nairobi declared an immediate cease-fire in the war waged by the NRA since early 1981. But field commanders were given 48 hours to implement it.



Court win for Dolly Parton

Dolly Parton, the singer, did not copy the work of two song writers when she wrote her hit tune "9 to 5", the theme music for the film of the same name, a Los Angeles federal jury has ruled.

Miss Parton, aged 39, who even performed part of the disputed song in the witness box, denied stealing the tune from Mr Neil Goldberg and his wife, Jan, who were suing for \$1 million.

Shuttle's countdown stopped

The launch of the Shuttle Columbia, the oldest of America's fleet of spacecrafts, was postponed yesterday 14 seconds before blastoff because of mechanical difficulties (Mohsin Ali writes).

The postponement was the second in 24 hours. It left the crew of seven forlornly waiting for a return to their homes. They were on a Christmas scientific mission and included Representative Bill Nelson, a congressional observer and the first Hispanic astronaut, Franklin Chang-Diaz.

Nasa officials said that one of the two hydraulic solid booster rockets exceeded the "red line" (high temperature warning) and the main computer then shut off the countdown just before ignition.

The original launch on Wednesday had already been put off for 24 hours after final systems checks fell behind schedule. Blast-off will not be before Christmas and the date will be announced later.

Mr Nelson, a Florida Democrat, represents the district that includes Cape Canaveral and the Kennedy Space Centre, from where the Columbia is to take off and land.

He will be the second Shuttle congressional observer this year. Senator Jake Garn, a Utah Republican, made a space trip last April. He is chairman of a Senate subcommittee that oversees Nasa funding.

Columbia was delivered to Cape Kennedy in 1979 and was the first of America's orbiting spacecraft.

Greens surveillance defended

From Frank Johnson, Bonn

Herr Friedrich Zimmermann, Bonn's Minister of the Interior, has described as "legal" the keeping of files by the internal security service on the Greens. West Germany's left-wing environmentalists.

He did so while testifying before the domestic affairs committee of Parliament, which is investigating the affair. The claim that it was all legal has only served to make the practice worse, from the point of view of those who are outraged by it. These include, not just the Greens, but the Free Democrats (FDP), West Germany's Liberals, and the junior partner in Herr Helmut Kohl's centre-right coalition Government.

The controversy was kept going yesterday, when for the second time in three days, extracts from the offending files turned up in *Bild*, the mass circulation daily which is curiously authoritative about matters to do with security. These contained references to short prison sentences served by one Green member of the Bonn Parliament and three Green members of the European Parliament for peripheral involvement with terrorism in the 1970s and early 1980s.

These sentences were always on the public record, but will probably come as news to many voters. The files also gave details of links between many Greens and extreme, but legal, left wing groups.

The controversy started when a parliamentary committee discovered that a junior Minister of the Interior, Herr Carl-Dieter Spranger, had asked to see the files. The extent to which he was shown them, or the use to which he wanted to put them are unclear. Herr Spranger, like Herr Zimmermann, is from the Christian Social Union (CSU), the right wing of the coalition.

The Free Democrats have not demanded Herr Spranger's resignation, but are letting it be known that he would "do a service" to the Government by resigning.

Hopes of cutting EEC food mountain dashed

From Richard Owen, Brussels

European agriculture ministers yesterday gave a dusty reception to Commission proposals for reform of the EEC's much criticized common agricultural policy (CAP), dashing hopes of a swift solution to the growing food mountains.

The EEC is trying to tie up the loose ends of Community policy in a variety of areas before the end of the year and the accession of Spain and Portugal in 1986. Yesterday, the farm ministers, including Mr Michael Jopling of Britain, debated the Green Paper on reform of the CAP put forward by the Commission last June.

In an evaluation of the Green Paper proposals Mr Frans Andriessen, the EEC Commissioner for Farm Policy, said EEC intervention to buy up

surpluses had become a way of disposing of extra farm production "without the effort or cost of marketing". It should revert to being the measure of last resort or "safety net" it was originally intended to be.

Such "open ended guarantees" had isolated Europe's farmers from real market forces, Mr Andriessen said in guidelines for the Council of Ministers and European Parliament.

But Mr Jopling and other ministers opposed Mr Andriessen's attempt to reform the CAP by shifting the priority away from price support mechanisms toward direct income help for the small farmer, coupled with aid for farmers in regions where land use was vital for environmental or social reasons.

Homosexuals 'more aware of Aids danger'

A slowing down of the increase in Aids cases in the US can be attributed partly to much greater awareness of the dangers of the high-risk groups of homosexuals and intravenous drug addicts (Alan McGregor writes).

This emerged from the three-day meeting at the World Health Organization headquarters of some 30 doctors and virologists from 17 countries.

A "major change in homosexual life-style" was noted by Dr William Dowdle, director of the Centre for Disease Control.

But even if the numbers of their sexual partners had decreased, he said, "the chances of their contracting the virus have increased as more of the individuals they are in contact with may have it".

Sense of accomplishment for UN in anniversary year

From Zoriana Pyskivski, New York

Hampered by the spectre of terrorism, the United Nations General Assembly set aside 10 years of conflicting passions and ideological arguments to condemn all acts of terrorism in what became the highlight of the fortieth session.

In October, in her address to the special session commemorating the UN's fortieth anniversary, Mrs Thatcher struck on the theme of terrorism. British diplomats were instrumental in finding an acceptable definition, and the consensus resolution means that countries, at least on paper, now are obligated to fight terrorism absolutely.

The measures against terrorism gave the session, which opened in September and adjourned on Wednesday, a more relevant flavour than in previous years. This sense of accomplishment was also felt after difficult deliberations on the 1986-87 UN budget. It appeared the Assembly had taken the first steps towards avoiding drastic and paralyzing cuts in the American contribution through several key reforms.

Dealing with the most emotive issues on the way the UN spends its money, the Assembly froze salaries and budgeted future salaries to between 110 and 120 per cent of comparable salaries in the

American civil service which is the highest paid in the world. It also adopted a Japanese proposal setting up a panel of experts to produce concrete suggestions for budgetary reform.

On the last day of the session Señor Javier Pérez de Cuellar, the UN Secretary General, took a rare strong stand against the Congressional amendment which ordered a cut of 25 per cent of the American contribution unless weighted voting was introduced in the UN on budgetary matters. He said unilateral withholding of assessed contributions were unconstitutional, but although many delegates resented

Washington's heavy handedness most agreed that the American threat sparked a serious look at reform.

A procession of world leaders marked the special commemorative session which was dominated by East-West stagecraft before the Geneva Summit.

Many ideas for strengthening its effectiveness are also mooted, ranging from the adoption of fewer resolutions to less selective censuring of Israel and South Africa.

The Assembly also had before it a report by the Joint Inspection Unit, a watchdog group, appointed by member governments, which questioned the basic concept of the UN as

peace-maker and peace keeper, saying this was based on quixotic notions.

In condemning human rights violations in Afghanistan and Iran, the Assembly went beyond right-wing regimes in Latin America in spotlighting human rights targets and responded to long-standing criticism of selective outrage.

But there was growing concern that the UN investigations into allegations of human rights abuse had become tedious.

Britain had two embarrassing diplomatic defeats over the Falkland Islands, and France, usually immune to criticism, was chastened for nuclear testing in the South Pacific.

Cracks found before jet crashed in Japan

Tokyo (Reuters, AFP) - Cracks were discovered in the rear bulkhead of the Japanese Air Lines Boeing 747 before it crashed in August with the loss of 520 lives, Transport Ministry accident investigators said yesterday.

It was believed that a foot-long crack in the bulkhead was caused by metal fatigue. Small cracks were also found around 58 rivets on the bulkhead, which separated the tail section from the passenger cabin, the investigators said in a report.

Depressurized air from broken parts of the bulkhead seriously damaged the vertical fin of the tail assembly, putting

the aircraft out of control during the Tokyo to Osaka flight.

"The latest report contained nothing deviating from what had internally been said about the cause," said Mr Hiroshi Fujiwara, the ministry's deputy investigator general.

In September Boeing said that its repairs on the plane's rear pressure bulkhead had been faulty. A relatively small section was not correctly installed during repairs after the aircraft made a rough landing in 1978 so that it was held by two rows of rivets instead of the normal three.

TV problem

Peking (AP) - Television is taking over in many Chinese homes, bringing such problems as undue homework, copycat violence and a generation gap, according to the Shanghai-based magazine *Social Sciences*, which recommended that children should spend only 40 minutes a day watching TV.

